

ation and beg leave to report it back to the Senate with the recommendation that it do pass and be not printed.

Hudspeth, Chairman; Caldwell, Johnson, Page, Westbrook, Clark, Parr, Johnston of Harris, Decherd, Bee, Dean.

Committee Room,
Austin, Texas, Sept. 11, 1917.
Hon. W. L. Dean, President of the Senate.

Sir: Your Committee on Judicial Districts, to whom was referred

S. B. No. 12, A bill to be entitled "An Act to reorganize the Seventieth Judicial District of the State of Texas, and to make all process issued or served before this Act takes effect, including recognizances and bonds, returnable to the terms of the courts as herein fixed; to validate such process and to validate the summoning of grand and petit jurors and juries; repealing all laws and parts of laws in conflict herewith, and declaring an emergency."

Have had the same under consideration and I am instructed to report the same back to the Senate with the recommendation that it do pass and be not printed.

BUCHANAN of Scurry, Chairman.

Engrossed Committee Report.

Committee Room,
Austin, Texas, Sept. 11, 1917.
Hon. W. L. Dean, President Pro Tem. of the Senate.

Sir: Your Committee on Engrossed Bills, have carefully compared Senate Bill No. 8, and find same correctly engrossed.

ALDERDICE, Chairman.

Committee Room,
Austin, Texas, Sept. 9, 1917.
Hon. W. P. Hobby, President of the Senate.

Sir: Your Committee on Engrossed Bills has had Senate Bill No. 14 carefully compared, and finds the same correctly engrossed.

ALDERDICE, Chairman.

NINTH DAY.

Senate Chamber,
Austin, Texas,
Wednesday, Sept. 12, 1917.
The Senate met at 9:30 o'clock

a. m., pursuant to adjournment, and was called to order by President Pro Tem. Dean.

The roll was called, a quorum being present, the following Senators answering to their names:

Alderdice.	Hopkins.
Bailey.	Hudspeth.
Bee.	Johnson of Hall.
Buchanan of Bell.	Johnston of Harris.
Buchanan of Scurry.	Lattimore.
Caldwell.	McCollum.
Clark.	McNealus.
Collins.	Page.
Dayton.	Parr.
Dean.	Robbins.
Decherd.	Smith.
Floyd.	Strickland.
Gibson.	Sulter.
Hall.	Westbrook.
Henderson.	Woodward.

Absent.

Harley.

Prayer by the Chaplain.

Pending the reading of the Journal of yesterday, the same was dispensed with on motion of Senator Alderdice.

Excused.

Senator McCollum for yesterday, on account of important business, on motion of Senator McNealus.

At Ease.

The Senate stood at ease for twenty minutes, by request of Senator Alderdice.

Messages from the Governor.

Here Mr. S. Raymond Brooks appeared at the bar of the Senate with several messages from the Governor.

The Chair directed the Secretary to read the messages, which were as follows:

Governor's Office.

Austin, Texas, Sept. 12, 1917.

To the Thirty-fifth Legislature in Third Called Session:

I beg to submit for the consideration of your honorable body the following subject:

Enactment of a law making additional appropriations for the support of the State government for two years, beginning September 1, 1917, and ending August 31, 1919,

and prescribing certain regulations thereto, and repealing parts of laws heretofore passed making appropriations for particular items that may be named.

Respectfully submitted,
W. P. HOBBY,
Acting Governor of Texas.

Governor's Office,
Austin, Texas, Sept. 12, 1917.

To the Thirty-fifth Legislature in Third Called Session:

I beg to submit for the consideration of your body the following subject:

Enactment of a law to amend Chapter 104 of the Acts of the Regular Session of the Thirty-fifth Legislature of the State of Texas, entitled "An Act to create a more efficient road system for Newton County, Texas; creating the office of superintendent of public roads and bridges of said county, prescribing powers and duties and providing for his compensation."

Respectfully submitted,
W. P. HOBBY,
Acting Governor of Texas.

Governor's Office,
Austin, Texas, Sept. 12, 1917.

To the Thirty-fifth Legislature in Third Called Session:

I beg to submit for the consideration of your honorable body the following subject:

Enactment of legislation to aid the counties of Kent and Stonewall, Texas, by donating and granting to said counties the State ad valorem taxes collected on property and from persons of said counties for the fiscal year beginning September 1, 1917, and ending September 1, 1918, and providing said State ad valorem taxes shall be by the tax collector collected and remitted to the county treasurer of each county respectively; providing the commissioners courts of such counties shall use said State ad valorem taxes to assist any person in actual need and remitting the balance, if any, to the State of Texas, at the expiration of said fiscal year.

Respectfully submitted,
W. P. HOBBY,
Acting Governor of Texas.

Governor's Office,
Austin, Texas, Sept. 12, 1917.

To the Thirty-fifth Legislature in Third Called Session:

I beg to submit for the consideration

of your honorable body the following subject:

Enactment of a law validating the charters and amendments to charters of all cities of more than five thousand inhabitants in this State which have adopted charters, or attempted to adopt or amend charters, since the enactment of Chapter 147, General Laws of the Regular Session of the Thirty-third Legislature, 1913, and validating all proceedings had by city councils or city commissioners, or governing authority, in regard to the question of the adoption of charters or amendments thereto.

Respectfully submitted,
W. P. HOBBY,
Acting Governor of Texas.

Governor's Office,
Austin, Texas, Sept. 12, 1917.

To the Thirty-fifth Legislature in Third Called Session:

I beg to submit for the consideration of your body the following subject:

Enactment of a law appropriating the fees and fines collected under the provisions of Chapter 108, Acts of the Thirty-fourth Legislature, regular session, 1915, during the remainder of the fiscal year ending August 31st, 1918, and the fiscal year ending August 31st, 1919, for the support of the Bureau of Labor Statistics in the enforcement of said Act.

Respectfully submitted,
W. P. HOBBY,
Acting Governor of Texas.

Governor's Office,
Austin, Texas, Sept. 12, 1917.

To the Thirty-fifth Legislature in Third Called Session:

I beg to submit for the consideration of your honorable body the following subject:

Enactment of a law authorizing the Commissioners' Court of Dallas County, Texas, to provide a building in the City of Dallas at or near the court house in said county, and to establish therein a woman's rest room or rest rooms of sufficient dimensions for the comfort and convenience of the women and children from the rural districts who are called to attend court; and to appropriate money for said building and to pay the salaries of the matron

and janitor, and to provide lights, water and heat for said building.

Respectfully submitted,
W. P. HOBBY,
Acting Governor of Texas.

Committee Reports.

See Appendix.

Bills and Resolutions.

By Senator Bailey:

S. B. No. 17, A bill to be entitled "An Act validating the charters and amendments to charters of all cities of more than five thousand inhabitants, in this State, which have adopted charters, or attempted to adopt or amend charters, since the enactment of Chapter 147, General Laws of the Regular Session of the Thirty-third Legislature, 1913, and validating all proceedings had by city councils or city commissions, or governing authority, in regard to the question of the adoption of charters or amendments thereto; and declaring an emergency."

Read first time and referred to Committee on Towns and City Corporations.

By Senator Smith:

S. B. No. 18, A bill to be entitled "An Act to amend Chapter 27 of the General Laws passed by the First Called Session of the Thirty-fifth Legislature of the State, 1917, entitled 'An Act to amend Chapter 189 of the General Laws passed by the Thirty-fifth Legislature of the State of Texas, 1917, entitled An Act to amend Section 8, Chapter 119, of the General Laws of the State of Texas passed by the Regular Session of the Thirty-second Legislature of the State of Texas, 1911,' relating to official shorthand reporters' compensation in certain counties; and declaring an emergency."

Read first time and referred to Committee on Civil Jurisprudence.

By Senator Woodward:

S. B. No. 19, A bill to be entitled "An Act to amend Sections 2 and 14 of the Special Road Laws of Coleman County, Texas, approved April 15, 1905, being House Bill No. 542, as amended by an Act, being House Bill No. 688, of the Spe-

cial Laws of Texas, approved the _____ day _____, and as amended by an Act, being House Bill No. 52, of the Special Laws of Texas, approved June 4, 1915, which House Bill No. 542 is entitled 'An Act to amend Sections 2, 4, 6, 7, 9, 12 and 14 of the Special Laws of Texas, approved April 15, 1905, being House Bill No. 542, entitled An Act to create a more efficient road system for Coleman County, Texas,' etc., and declaring an emergency."

Read first time and referred to Committee on Roads, Bridges and Ferries.

By Senators Hudspeth and Caldwell:

S. B. No. 20, A bill to be entitled "An Act making additional appropriations for the support of the State Government for two years, beginning September 1, 1917, and ending August 31, 1919, as follows, to wit: For the salaries of special district judges, for fees and costs of sheriffs, attorneys and clerks in felony cases, for the salary of Assistant Adjutant General and the Quartermaster of the Adjutant General's Department, for the salary of the Chief Inspector for the Department of Agriculture, for the salary of the State Revenue Agent, for the salary of the Chief Clerk of the Game, Fish and Oyster Commissioner's Department, for the salary of the Bacteriologist of the State Health Department, for the salary of the Commissioner of Labor, for the salaries of four inspectors in the Labor Department, for the salaries of two chemists in the Pure Food Department, for the salaries of two inspectors in the Pure Food Department, for the salaries and expenses for collecting fees in the Pure Food Department, for stamps to be used in the collection of fees in the Pure Food Department, for the salary of the porter in the Attorney General's Department, for the salary of the Commissioner of Insurance and Banking, for the salary of the Superintendent of the State Orphans Home, for the salaries of twelve non-graduate nurses for the first year at the Tuberculosis Sanatorium, for salaries of three assistants to the Inspector of Masonry and for material tests and analysis, for long distance telephone, telegraph, express and freight charges and incidentals and traveling ex-

penses for the Department of Inspector of Masonry, and to pay miscellaneous claims, and for other purposes; prescribing certain regulations and restrictions in respect thereto; repealing parts of laws heretofore passed making appropriations for the particular items named in this bill, and declaring an emergency."

Read first time and referred to Committee on Finance.

Simple Resolution No. 16.

Whereas, The last half century has been the most progressive age in the world's history along industrial lines and in intellectual development; and,

Whereas, In our material development agriculture has received in many states and many countries due attention at the hands of those who desire a firm foundation upon which to build for future greatness; and,

Whereas, The most potent and common agencies and mediums necessary for the development of the agricultural resources in the several states are fairs, marketing bureaus, farmers institutes, and other similar institutions; and

Whereas, There is within the confines of the State of Texas many such institutions varying in magnitude from county fairs to fairs of statewide and even nationwide importance; and

Whereas, Texas is the empire State of the Union, possessing some of the greatest agricultural territory in the world, but ranks only nineteenth with her sister states in contribution of funds expended through her various agricultural departments to agricultural development; and

Whereas, In the older settled portions of the State, the field of agricultural products is declining. There is constant erosion in the fields for want of terracing. Farm tenancy is increasing. Rural life is becoming more exacting, and the exodus from the country to the cities continues to increase; therefore be it,

Resolved, That we commend the work of our various departments in their efforts to develop the agricultural resources of the State, and we especially commend their work in conjunction with the different fairs of our State, and more specially in this connection the work of the Department of Agriculture at the Texas

Cotton Palace at Waco, where it is making a special endeavor to provide for an exhibit that will reflect credit on our State and our progressive people; and be it

Resolved, Further that the Directors of the Texas Cotton Palace be and they are especially commended for their efforts to bring to the people of the State of Texas an educational exhibit of such exceptional worth and merit, and we specially recommend that the heads of the various State Departments be and they are hereby requested to lend their fullest co-operation to those in charge of the Texas Cotton Palace to make the coming exhibit one of the best that has ever been held within this State with a view to the advancement of its educational, commercial and agricultural interests.

McCOLLUM.

The resolution was read and adopted.

The Senate as Court of Impeachment.

PROCEEDINGS.

Wednesday, September 12, 1917.

Morning Session.

Senate Chamber, Austin, Texas.

(Pursuant to adjournment, the Senate, sitting as a High Court of Impeachment, reconvened at 10:00 o'clock a. m.)

Honorable W. L. Dean, President Pro Tempore, Presiding.

(The Board of Managers and their counsel were present. The Respondent and his counsel were present.)

The Chair: Gentlemen of the Senate, the hour has arrived for the convening of the Court of Impeachment.

Senator McNealus: Mr. President.

The Chair: The Senator from Dallas.

Senator McNealus: I ask the unanimous consent of the Senate that the legislative session be extended for ten minutes.

The Chair: The Senator from Dallas asks the unanimous consent of the Senate that the legislative session be extended for ten minutes. Is there any objection? The Chair hears none, and it is so ordered.

(The Senate proceeded to the consideration of other business; and at the expiration of the time allowed,

convened as a High Court of Impeachment.)

The Chair: The time having arrived for the convening of the Senate as a High Court of Impeachment, the Sergeant-at-Arms will see that the Chamber is cleared of all except those entitled to its privileges, and will proclaim the convening hour.

Sergeant-at-Arms (At the door of the Senate): Oyez! Oyez! Oyez! the Senate sitting as a High Court of Impeachment is now in session.

The Chair: Let the Court now come to order, please, and let all observe the good order that the Chair wants to congratulate on observing on yesterday. I feel that there was an improvement on that line on yesterday. (To counsel): Gentlemen, are you ready to proceed?

General Crane: Mr. Chairman—or Mr. President?

The Chair: General Crane.

General Crane: We offer now—

Senator Dayton: General Crane, will you excuse me just a minute?

General Crane: Yes, sir.

Senator Dayton: A question of information to the Chair:

The Chair: The Senator from Cooke.

Senator Dayton: As I understand, on yesterday, in ruling on the objection to this testimony sought to be admitted, that that ruling of the Chair admitted the entire testimony in the House, or just certain portions?

The Chair: Just certain portions. There were only certain portions; and the particular evidence offered will be subject to objection—if it is subject to objection.

Senator Dayton: All right. That is all.

General Crane: Touching the matter—

Mr. Hanger: Are you reading from the—

General Crane: The printed record.

Mr. Hanger: This is not the one in the last investigation in the House, is it?

General Crane: No.

Mr. Hanger: What is it you want to read?

General Crane: The "chicken salad" item.

Mr. Hanger: Oh, yes—yes, that is covered by the agreement.

General Crane: Yes. On the point of the "chicken salad" item, the expenditure of the money by the Gover-

nor, and his promise to refund it, for the purchase of groceries and other family supplies, under the head of "incidentals," this question was asked him before the Committee, meeting in March:

Q. I wish you would state to the Committee what your position is with reference to those items and the payment for them, and the payment of those items already made?

A. By a reference to the record it will be ascertained that this suit involves items appropriated under Governor Colquitt's administration. It does not involve items appropriated and used under my administration. However, taking that as a basis, I want to say here and now, in the presence of this committee, that whenever that suit—

Meaning Middleton vs. Terrell—
—is decided by the law of the land, more especially the decision of the Supreme Court, I stand ready and willing, and I have always been ready and willing to pay any amount that the court may adjudge that I ought to refund to the State Treasury.

Mr. Hanger: What page is that?

General Crane: Page 188. Then, on the bottom of the page:

Q. Do you intend, although fuel and lights have been paid for for forty years, if the Supreme Court holds that it is not properly paid for, to pay for it yourself?

A. Yes, sir, absolutely.

Now, 256, on page 256, the following question was asked him about the same matter—in speaking of Achilles—beginning back a little, so as to make it intelligible:

Q. In making this contract—

This Achilles contract—
—you ran the risk of his dying and ran the risk of his bankruptcy, didn't you?

A. I never thought about that.

Q. You know the mercantile business is an exceedingly risky business, and a very small per cent of them succeed?

A. Since you mentioned it, I think I called up some one at a place where Mr. Achilles had done business, and I think he told me Mr. Achilles was perfectly good for his contracts.

Q. You took the moral risk?

A. Yes, sir.

Q. You did not look into his financial standing?

A. That was just the thing I was going—

Then having been interrupted—

Q. Didn't you have this idea, that you were going to test out that question in all of the courts, and you didn't want to go to the trouble, or be troubled with an adverse decision of the San Antonio Court of Appeals?

A. No, there was no way for me to get away from it, after I got the money, I would have to pay it back if the court decided against me.

Q. Suppose you had not used this money in this way, pending the decision of the court against you, the district court, the Attorney General and the San Antonio Court of Appeals, you have no doubt but that the Legislature would have appropriated money for you if it should have been found that you were entitled to it?

A. I can't tell what the Legislature is going to do.

Q. You had rather risk Achilles than the Legislature? Well, that is your privilege. In any event, you took the sure plan to get the money and applied it in the way you thought it ought to be applied, and risked paying it back afterwards?

A. Yes, sir.

General Crane: Now, I want to read from the same book what he said about the banking—

Mr. Hanger: It should be stated in that connection, I submit, that the Achilles contract was never carried out, the goods were never furnished.

General Crane: To be sure.

Mr. Hanger: About which you are reading there.

General Crane: No, you have not got that properly; the Achilles contract was not carried out, but the goods were bought and paid for by vouchers on the Treasury as purchased.

Mr. Hanger: Well, later on.

General Crane: Later on, yes, sir.

Mr. Hanger: By single vouchers?

General Crane: Yes, sir.

Mr. Hanger: But that contract you read, back on page 256, that contract was never carried out.

General Crane: No. I thought we made that plain yesterday.

Mr. Hanger: I didn't know whether that was plain.

The Chair: Well, it was stated it was on the question of intent.

Senator Bee: Mr. President, I would be very glad if counsel on both sides would make that plain.

I didn't understand Mr. Hanger's objection.

General Crane: I believe I can state that so plainly Mr. Hanger will admit it as correct: The contract was made to furnish the goods from Mr. Achilles to the Governor for the amount of \$1796, and that contract between the two contemplated that the money should be turned over to Achilles, the groceryman here in Dallas—in Austin,—

Senator Bee: By whom?

General Crane: By the Treasurer of the State, a warrant was issued drawn by the warrant clerk in the absence of the Comptroller, covering that amount, it was carried to the Treasurer, and the Treasurer refused to honor it, and the Comptroller and he had it canceled thereafter. The contract was not carried out, but, however, the appropriation was exhausted, as agreed to yesterday, and the money was paid for groceries and other things that were bought to the amount of a little more than \$2400, as agreed to.

Senator Page: How was it paid for—by Treasury warrants?

General Crane: No, sir, that was paid for by cash out of the treasury, and deficiency warrants were issued after appropriations for them were exhausted.

Now, I am offering, on page 265, next—wait a minute—take that out, please, a minute. In this connection it will be wise, perhaps, to read the two appropriations. The appropriation made for Governor Ferguson, for the Mansion and grounds, etc., reads as follows:

"August 31, 1916-August 31, 1917. For fuel, lights, water, ice and incidentals, \$2,000 for each year."

Mr. Harris (handing General Crane a book): There is the Colquitt administration.

General Crane: The preceding administration of Governor Colquitt had an appropriation—the appropriation of Governor Colquitt's administration just preceding that, and being the appropriation upon which the case of Middleton vs. Terrell was predicated, reads as follows:

"For fuel, lights, water, ice, groceries, incidentals, \$2,000 for each of the years 1914 and 1915."

General Crane: Now, touching the banking proposition, I begin to

read on page 212 of this printed record.

Mr. Hanger: Is that from the first investigation?

General Crane: The March investigation.

Mr. Hanger: March investigation?

General Crane: Yes.

Mr. Hanger: I thought the Chair yesterday afternoon held—I don't know whether there is any—I don't think there is any difference in it, except the latter is a fuller statement—I say, I think the latter is a fuller statement, if I recall. I thought the Chair held that the testimony taken before the House investigation was—that testimony was admissible, but I thought that the Chair held that there was a difference in an investigation held as the former was and as this one is held, that there was probably a difference—not that there was, but that there was probably one. I thought that the Chair was confining him to the investigation in the House. The reason for this suggestion is that, if my memory serves me correctly, that probably the last statement is the fuller one, more exhaustive and more explicit.

General Crane: Well, Mr. President, I have no desire to extend the ruling of the Chair further than it went, but I understood also that this was not the exact point before the Chair—but I thought it was really involved in it. If counsel will—we were going to read from both, because there are some things in one that are not in the other, and I thought they were both to be admitted under the same ruling.

Senator Page: Mr. President, may I be permitted to ask General Crane a question of information?

General Crane: Yes, sir.

Senator Page: General, was the Governor in this investigation you are reading from a voluntary witness, or did they summon him?

General Crane: No, he was a voluntary witness.

Mr. Hanger: He was a voluntary witness in both instances.

General Crane: Yes, he was a voluntary witness in both instances.

The Chair: The ruling yesterday did not intend to apply except to the investigation in the House.

Mr. Hanger: That is what we thought.

The Chair: That was the only question presented to the Court at the time.

General Crane: I know, but I thought the ruling of the court made this admissible as well, in that he was not a party, because it is not a criminal proceeding; I thought the only distinction was that this was actually a Committee of the House, rather than a Committee of the Whole House, the one I am reading from now; I didn't wish to transgress the ruling of the Chair—I thought that both counsel and myself agreed that they both rested on the ruling of the Chair in both instances, on the same basis.

Mr. Hanger: Now, we thought from the ruling of the Chair, and from the statements made by the Chair, that the first investigation was such an investigation as would clearly come within the terms of 5517—Article 5517, the Chair holding that the whole investigation does not—

General Crane: Well, now, Mr. Hanger, in order that there may be something before the Court definitely, I offer this now—and if counsel wishes to object to it, let the Chair rule on it without argument, so far as I am concerned.

Mr. Hanger: Yes.

The Chair: The status of the Respondent in that former investigation, that first investigation, is not as clear as his status in the investigation on which the present impeaching proceeding is based. Therefore, I might state the status. The Chair understands, however, that the investigation from which the testimony of the present Respondent is now offered, was an investigation ordered to be made by a Committee of the House.

General Crane: Yes, sir, that is true.

The Chair: And that the present proceedings—that it was not an investigation of the impeachment charges preferred by the Speaker of the House of Representatives at the Second Call Session.

General Crane: No, sir.

The Chair: But an investigation prosecuted by a former session of the Legislature, so that makes a difference in the status of it, and it presents a slightly different question to that ruled on by the Chair on yesterday. (To General Crane):

What parts of that testimony do you desire to offer?

General Crane: We want to offer what he said about his banking business at Temple, I—

Senator Bee: Mr. Chairman, will General Crane permit a suggestion?

General Crane: Yes, sir.

Senator Bee: I suggest to the Chair that we might ascertain the procedure under which this first investigation was instituted, under what circumstances and for what purpose. Of course, the second, the one that we had up yesterday, was for the purpose of impeachment; now, what was the purpose of the order made by the House in reference to the investigation from which General Crane reads now?

General Crane: Well, stating it generally, Senator, I think—

Senator Bee (interrupting): It occurred to me, General, if you will permit, that it might help the Chair in arriving at the status.

The Chair: Yes, I am glad you made that suggestion, because—

General Crane (interrupting): I do not recall definitely just what was in the original resolution. I take it, however, that it might be conceded in a spirit of fairness, that the purpose was to investigate the official conduct of Governor Ferguson, and if necessary, impeachment proceedings could be based upon the findings of the Committee—I take it that was really the purpose and within the scope of the resolution offered by the House, and also the ruling of the House and appointment of the Committee had that end in view; and the Committee, after hearing all the testimony, made an elaborate report, and so, I take it, that the question now is that, assuming that came under the statute that has been heretofore read, the question is whether a party is protected as a witness, and then whether or not this is a criminal proceeding that is defined or mentioned by the statute, and I thought for that reason that probably the Court, without mentioning this had, in deciding the other questions, probably decided all the material points of this; but I may be mistaken about that, that is for the Chair to say.

Senator Bee: General, would not Judge Bryan or Judge Woods, or some of those gentlemen have the

original resolution upon which this Committee was appointed?

General Crane: Yes—if so, we can get it for you.

Senator Bee: I would like very much to know the purpose as stated in the original resolution, if it is not too much trouble. I do not want to cause any delay.

The Chair: The resolution is in the report from which General Crane has been reading, I presume?

General Crane: Yes, here they are right in the beginning, they tell me—yes, here are the resolutions, Senator, they are rather long.

Senator Bee: Well, you might state the substance.

General Crane: There are about seven pages of it, besides the exhibits.

Mr. Hanger: Well, will you pardon me? I think I can turn to about it, in just a moment.

General Crane: Here is what they say: "Now, therefore, be it resolved that the public good, the cause of truth and justice to all parties and all officers concerned requires that a full, fair and impartial investigation be made by this Legislature, that all the facts would show or tend to show the truth about the acts herein enumerated,"—

The banking transactions, the "chicken salad" item, and one or two others,—they do not embrace all of the things in this book; provides that a committee of seven shall be selected from this House—

"Said committee shall be organized by electing one of its members Chairman,"—

And then it provides for the appointment of stenographers, etc., etc.—

"—and to issue process to summon witnesses, take and have depositions taken, production of papers, etc., is hereby vested with all the powers now vested in the District Courts of this State; that each member of said committee is hereby vested with the power to administer oaths; that the method of implied procedure in gathering evidence, as well as in the prosecution of the work for which it is constituted, shall be within the discretion of the Committee, and said Committee shall have power to take and keep a record of any and all transactions of the said parties hereinbefore mentioned which come under the observation of said Committee during its investigation, and which may either directly or

collaterally concern the official conduct of the said officers hereinbefore mentioned, or which may show, or tend to show, any violations of the laws of this State by said parties. Said witnesses shall be paid in the same manner and amount as is provided for witnesses summoned before the House and any of its committees."

"The Committee is hereby given authority to employ counsel to represent it and the public."

"Said Committee, however, shall not be restricted to any rule of evidence in procuring evidence, but shall obtain the facts, regardless of the usual rules of evidence."

That, I think, was afterwards amended, probably.

"The report of said Committee shall contain a correct and accurate stenographic transcript of all proceedings had in and before said Committee, giving questions, answers, objections to evidence, ruling thereon, names of parties and the disposition thereof, used in evidence before said Committee, including the transcript and the entries in all books or accounts showing or offering any light upon any of the transactions hereinbefore mentioned."

"The said Committee, in addition to making a report of the facts ascertained by it, shall and is hereby instructed, in case it finds the allegations and charges herein made true, in whole or in part, to prepare and submit with its report such specific charges as may be the basis, or may be necessary in impeachment proceedings against the said James E. Ferguson, Governor of the State of Texas, before the Senate of said State."

That was evidently its object and purpose.

The Chair: The Chair will state to counsel that in the opinion of the Chair, the decision of yesterday would really apply to this investigation, having in view the purposes and scope of it, as stated in that resolution. The opinion of the Chair was based largely on the proposition that this present Respondent was not subject to compulsion. Article 5517, and therefore, could not justly claim its protection or immunity.

Mr. Hanger: We do not urge the objection, Mr. President, it is unimportant, as we view it—we only thought that this was not quite as full as the other one, and it was a suggestion more than anything else,—but we do not object.

The Chair: The Chair will state that counsel was correct yesterday afternoon, that the ruling applied only to the investigation which resulted in the presenting of these impeachment charges. However, the objection as urged will be overruled.

General Crane: Yes, sir, we so understood it, Mr. President, all the while, that that was the specific point ruled upon.

General Crane: I now read from part of the printed pages 212 and 213. I don't care to read it all because it is merely explanatory of his bank contract with Mr. Poe or the Bank Directors with Mr. Poe as President of the bank. He then answers (Reading):

He came to Temple in pursuance of that agreement and entered upon the duties of president of the bank. As best I could, I informed him of the general conditions and plans and policies and customs that had been followed in the operation of the bank. Among other things, I especially called his attention to the fact that I had considerable business outside of the Temple State Bank and that my Temple State Bank stock was only a very small part of my business operations and holdings, and that it became necessary for me to borrow money in large amounts from time to time and that it had been the custom and would continue to be the custom in the bank that I would link my fortunes, as I had in the past, with the Temple State Bank. That in consideration of my becoming surety upon the guaranty bond under the State Banking law for the security of deposits in the bank, and in consideration of my agreeing to go upon all bonds that the Temple State Bank might be required to execute from time to time, and in consideration of my turning to the Temple State Bank the business of the Heidenheimer State Bank and the Pendleton State Bank, institutions in which I owned the large and dominating portion of the stock, continued to do their business with the Temple State Bank, and in consideration of my giving whatever influence I might have in a financial way towards securing and holding business for the Temple State Bank, that the Temple State Bank was to take care of my line from time to time; that it was a mutual arrangement between the Temple State Bank and myself. I had founded the Temple State Bank and it was generally

understood as my bank, and that was fully explained to Mr. Poe at the time he went into the bank. I think at the time he came that I only owed the bank approximately \$12,000.00, something like \$12,000.00—the minutes will show just exactly what the amount was, and whatever that amount was, it had been duly authorized by a resolution of the board of directors.

Mr. Hanger: What was that last page you read from?

Mr. Reporter Bell: I have it—212 and 213.

Mr. Hanger: 212 and 213?

General Crane: Yes, 212 and 213, the bottom of 212 and upper part of 213. Now, on page 232, bottom of page 232.

Mr. Hanger: 232?

General Crane: Bottom of 232, yes.

Mr. Hanger: All right.

General Crane: The Governor in testifying about a suit that was being discussed by the Temple State Bank, in discussing that matter, said:

"If you sue me, don't get the idea into your heads that you are going to intimidate me; in fact, I have always told you, and my friends as well, that I was proud to serve the people of this State in a political way, and don't get the idea that you are going to intimidate me politically by threatening me with a suit. I intend to serve the people of Texas to the best of my ability and to keep myself independent, because when a man loses his independence financially, the people forget, and I am not going to let you make me sacrifice my estate because you think you could bring political intimidation upon me. Now," I went on to say, "under those circumstances, you can sue, but when you do so, you might give me all the time I wanted, or I could take it in delaying the court, but I tell you now, you will ruin the Temple State Bank; you will pull the house down on you; you won't do yourselves any good, nor do the bank any good, but, on the other hand, you will pull the house down on you, and under the situation you will have had the satisfaction that you have exposed my private affairs."

General Crane: On page 239 he says, beginning on the bottom of page 238, in discussing his reduction of his line with the Temple bank, he said:

"I had told the gentleman as a

part of this communication that I would begin at once to see what I could do to raise the money and take up this indebtedness, not waiting until December of this year in order to satisfy anybody—I didn't want anybody to be doubting my solvency and my ability to pay my debts, because I knew I was solvent. All I wanted was a little time, and I would arrange to pay for this indebtedness. I began to negotiate and to look around to see where I could get the money. I forget the date of it, but in the last thirty days I arranged to borrow from my brother, Joe Lee Ferguson who lives at Hale Center, Texas, and I think also he was assisted by my brother-in-law, Mr. Morten, at Haskell, Texas, and he arranged for the money and paid off my personal note of \$37,500, and I hold here the release of that loan upon my Bosque County property for that \$37,500.

"I had entered into communication with the Houston National Exchange Bank at Houston, a very large institution, a bank having about ten million dollars deposits, and as a result of that negotiation or arrangement, I succeeded in getting the note signed by my brother, A. F. Ferguson, postmaster at Belton, for \$37,500, and also took up the note signed by my private secretary, Mr. J. H. Davis, Jr., to which was attached the stock of the Bastrop Lignite Coal Company, and the bank holds those two indebtednesses.

Mr. Hanger: That means two instead of "to."

General Crane: Huh?

Mr. Hanger: I say that means two instead of "to."

General Crane: Yes, that is what it means, "holds those two indebtednesses."

Mr. Hanger: "Those two indebtednesses"—it is "to" here and it means two, get that, Mr. Stenographer?

General Crane (continuing reading from same portion of record):

"The note of the Bell-Bosque Stock Farm is yet in the Temple State Bank, that being a private corporation and not my individual indebtedness, and the directors are perfectly satisfied to carry that note. The detailed statement of the Bell-Bosque Stock Farm, although it is capitalized for forty thousand dollars, shows that it has estates of the

reasonable worth of forty-six thousand dollars."

General Crane: Now, Mr. Carlock then asked this question:

"Is that the only remaining note of the Temple State Bank?"

"A. Yes, sir, and as I told the Committee the other day, I took up negotiations with the Great Southern Life Insurance Company to take up and secure by my wife's land the note, and they loaned me \$15,000 additional and I paid off that note to the Temple State Bank. So within the last sixty days I have caused to be paid into the Temple State Bank \$112,500 and \$15,000—in other words, \$127,000 in cash to the Temple State Bank, and there is remaining in this whole matter only one note of the Bell-Bosque Stock Farm for \$27,500, and I can arrange to have that taken up at any time the directors want it, and that statement shows here that they have got more money than they know what to do with and they are only too anxious to carry the indebtedness."

General Crane: Now, with reference to the chicken salad transaction, these questions were asked him, Senator, on page 251:

Q. Governor Ferguson, you testified in reference to your purchase of groceries, feed for horses and cows, automobile expenses and repairs, butter and eggs and chickens, etc., having been purchased under the head of incidentals. Now, you were a practicing lawyer for some years and were familiar with the rules of the Constitution and with the idea of getting your vouchers. I will ask you how you reconcile that with Section 44 of the Constitution of the State of Texas, Article 3, the latter part of which says, "that no claim, real or pretended, shall have any appropriation made for it unless it has been provided for by a pre-existing law?" Can you point to any pre-existing law which authorizes the Legislature to appropriate for you to use for the purchase of supplies of the kind I have mentioned for your own private use?

General Crane: Now, he says—"If you want to make me swear to what the law is I will tell you—" I interrupted him—"I am asking you to point out the statute upon which you relied, if there is such a one, and then the Committee and the Legislature will judge of that." His an-

swer was: "I never went into the law of the case. I came here and found that the Legislature had made provisions and appropriations for like purposes under Governor Colquitt's administration and all the former administrations, and the Thirty-fourth Legislature made an appropriation for the same purpose. You will recall that the Court of Civil Appeals at San Antonio had not passed on that question and you must be advised that the Supreme Court has not yet finally passed on that question."

Q. Now, we are going ahead of the hounds.

A. Wait a minute, let me answer the question and we won't have a bit of trouble.

Q. You can go ahead and answer that and I want to repeat some more of this letter, but you may go ahead now.

A. If I am wrong about the construction of the law (says the Governor), then they have all been wrong heretofore, as I consider it. I do not pretend to be lawyer enough to just tell what the Constitution means, because lawyers themselves do not agree on it, and I have not been a practicing lawyer for eight or ten years, and I just simply followed the custom.

Q. You say it has always been done. Can you point to any Governor, except Colquitt, in the history of the State of Texas, who ever paid for their groceries, their feed bills and their butter and eggs and chickens and meat bills out of the State Treasury?

A. I don't recall that any Legislature ever made any appropriation for groceries until Governor Colquitt's administration.

Q. Precisely. Then you wish to qualify that statement that they had done that? Colquitt is the only one that you have any knowledge of, isn't he?

A. I did not say they had all done it. I said all of them had spent money for the same purpose.

Q. For what same purpose, for gas and fuel and light?

A. Gas and fuel and lights and water and ice. I see no difference between the Legislature holding that you can buy ice, and holding that you can buy ice tea, and I see no difference in the Legislature holding that they can buy gas like they have

been buying for forty years, and buying gasoline.

Q. May you not find the difference existing in this fact—that the gas was to light the property belonging to the State of Texas, whereas the gasoline is charged to propel the engine moving the car that belonged to a private individual?

A. That might be true, but if that theory is correct, then a Supreme Judge could not have a stenographer on the same ground, because he is doing something the Constitution says the judge must do himself.

Q. I think you are probably mistaken about that:

General Crane: That is an argument, however, we do not wish to pursue here. Now, page 256, I think, or 257, I read a while ago an extract from that. On page 268.

Q. You said this morning, or day before yesterday that you went out of the bank—when you went out of the bank as president you owed only \$12,000.

A. Approximately that.

Q. Approximately \$12,000?

A. Yes, sir.

Q. And that the Bell-Bosque Ranch owed how much in addition to that?

A. I think \$20,000, it might have been \$30,000, I forget.

Q. Now you went out on the 11th of January, did you?

A. Yes, sir.

Q. And on the 16th of January you borrowed \$30,000 and mortgaged your Bosque County farm for it, didn't you?

A. Yes, sir.

Q. You borrowed \$30,000 more for the Bell-Bosque Company, didn't you?

A. \$30,000 more than I already had?

Q. Yes.

A. No, sir, I don't think that line was increased there at that time.

Q. On the 16th day of January, 1916, you did make one note for \$30,000 called a bond, secured by a deed of trust?

A. Yes, sir.

General Crane: Now, going through the amount of his indebtedness to that bank—(aside to Senator Hanger: You follow it there, Senator, on page 269. See that my construction is not wrong).

Mr. Hanger: Where is that—the top of the page or the bottom?

General Crane: No, it is the bottom.

Mr. Hanger: Yes, I have it.

General Crane: The question then was:

Q. You kept increasing that amount of indebtedness (indebtedness of the Bell-Bosque meaning the Bell-Bosque Stock Farm and his own) until it ran up to the amount stated, \$170,000, those two accounts?

A. Yes, sir.

General Crane: On page 283, in discussing the law controlling State banks and the amount to be borrowed by any one individual, his first answer is:

A. One thing, I wanted to help the bank (meaning the Temple State Bank) all I could; I organized that bank and whenever they needed help I wanted to help them.

Q. You wouldn't let a man carry a loan of \$100,000, that was not good policy, was it?

A. If it was good, I will be glad to do it.

Q. Now, the law says that one man, that an individual, corporation or company shall not borrow in excess of thirty per cent of the capital stock. Do you mean to say that that is not applicable to you, in so far as it prohibited a loan, if as you claim it was good?

A. I will say this, that as a general custom all the bankers in the country disregard it.

Q. And the custom will override the statute?

A. That is the practical application of it.

Q. The practical application of it?

A. Yes, sir.

Q. You as Governor of the State recognize that as a rule that action ought to be prohibited?

A. I recognize just as I told you a while ago, that you cannot confine a bank to that statute, you cannot hold them upon that; they pay no attention to it at all.

Q. And you as the head of the State government say to the State banks over the country that they may safely disregard the limit provided by our laws in that respect?

A. I say that the first thing is to learn that it is safe, and if the loan is safe, there is not much row about it.

Q. You recognize that the statutes

make it your duty to enforce the laws?

A. Yes, sir.

Q. You recognize that you have a right to call on the Attorney General or the Banking Commissioner, or any other executive officer, to enforce these laws?

A. Yes, sir, and I also recognize that there is a place—that there is no use in making a technical application to a law when common sense and custom reveal that it is against practical business, safe business, as long as it is safe, there is no kick on it. I left that to the discretion of the bank, and where it is safe and all right, I see no chance to lose and no harm to permit it.

Q. You wouldn't interfere with it?

A. No, sir, I would not.

General Crane: Mr. President, with your permission, I will sit here in the witness chair.

The Chair: All right, sir.

Mr. Harris: Senator, for your convenience, the parts introduced are marked with blue pencil, where it begins and where it ends, and the pages are dog-eared.

Mr. Hanger: All right. I want the pages as he reads them.

The Chair: Before you begin, General, I want to make a request.

General Crane: Yes, sir.

The Chair: The Presiding Officer will make a request of those in the galleries, as well as those down in the Chamber. The Chair observes that there is considerable conversation being indulged in in the galleries, and the suggestion is renewed, as heretofore made, that this Chamber and these galleries are not open for the purposes of private conversation at this time, and if any of you are here for that purpose or feel like indulging in private conversations, you are requested to retire from the Chamber or gallery, wherever you may be. I am sure that those who are doing this do not realize that you may be disturbing somebody who wants to hear the evidence being read by counsel here, and I believe that an admonition from the Chair is all that is necessary, but if the Chair finds that that does not suffice, the officers in the gallery or in the Chamber will be requested to have those to retire who persist in indulging in private conversation.

General Crane: We now offer, Mr. President, a part of the examination of Governor Ferguson.

Mr. Harris: Cross examination?

General Crane: Cross examination

of Governor Ferguson (Thank you), before the Committee of the Whole House, and as found beginning on page 1396, at the top of the page.

Mr. Hanger: In what volume is that?

Mr. Harris: Four.

General Crane: This is the fourth, but the pages you will find them, they are paged all through, you know.

Mr. Hanger: Yes, I understand.

General Crane: This is the question—this is in reference to the chicken salad case, the decision of the District Judge and others.

Q. I want to know from you, now, if you don't understand from Judge Calhoun's and Judge Fly's opinion, that the effect of it all was to hold that you could not pay for your groceries out of the State Treasury,—in other words, that you were to receive \$4,000.00 and no more from the State?

Mr. Hanger: General, pardon me,—is that the first of the cross examination on that subject?

General Crane: No, there is some of it preceding that, but there is some I didn't think necessary to encumber the record with.

Mr. Hanger: Never mind, of course, you have a right to read that which you please.

General Crane: To be sure, I am beginning at the top of this page.

A. I didn't understand that from Judge Calhoun's opinion. I do understand that from Judge Fly's opinion.

Q. Yes,—

A. Calhoun's opinion, which was the basis of the suit, does not describe so that any body can tell whether you can buy groceries, ice, or anything else.

Q. You do understand it from Judge Fly's opinion?

A. That was his dicta opinion. He simply affirmed Judge Calhoun's opinion.

Q. He simply affirmed Judge Calhoun's opinion?

A. Yes, sir.

Q. Then you understand from the very elaborate opinion delivered by Mr. Justice Fly, of the San Antonio court, that it was contrary to the spirit and letter of the Constitution for the Governor to receive any pecuniary compensation while filling the office of Governor other than that named in the section which I have read, that is to say, \$4000 and no more?

A. Yes, sir.

Q. And the use of the mansion, fixtures, and furniture?

A. Yes, sir.

Q. And you also know that the Supreme Court refused the writ of error?

A. Yes, sir.

Q. Now, then, Governor, have you made any effort since the adjournment of the Committee of Investigation, or afterwards, or before, to pay back into the Treasury of the State the sums of money thus expended for groceries, for chickens, butter and eggs, and for automobile repairs, and for vegetables, etc.?

A. You mean the two thousand dollars appropriated by the Legislature?

Q. Yes, sir.

A. Now whatever, but I don't understand, and I think that the reading of my language will clearly show that we were only paying the deficiency warrants, as I agreed to pay them, and to pay these off.

Q. You would be obliged to pay the deficiency warrants, wouldn't you, Governor, without any promise?

A. I don't know, that is a big question of law.

Q. Wouldn't these people to whom you had given the deficiency warrants to pay for your expenses that the Court adjudged to be personal, and when the State repudiated them, would not they have a cause of action against you for your grocery bills?

A. Possibly. They might, but whether they could hold me for the debt which they had expected pay for from the State and when the State afterwards repudiated, I don't know; that is a big question of law, but I waived any question about that and I did pay them. (General Crane: Meaning the deficiency warrants).

Q. You did pay them?

A. Yes, sir.

Q. Now, Governor, do you remember the date of your message to the Legislature in which you asked them to pay these deficiency warrants?

A. No, General, I don't remember the date.

Q. Was that message not delivered to the Legislature after the San Antonio Court had delivered its decision?

A. I don't recall.

Q. Was it not, indeed, insisted upon by you, through your friends in the House, after the Supreme Court had refused the writ of error?

A. Possibly it might have been, I don't recall.

Q. Didn't you send up a message to the Legislature while in Special Session, after the Supreme Court had refused the writ of error, and asked for the appropriation to cover these deficiencies?

A. I might have, but that decision was not final until the Supreme Court overruled the motion for rehearing.

Q. The Supreme Court finally overruled the motion for rehearing on March 28, wasn't it?

A. I don't remember the date."

General Crane: We have offered that in evidence already, haven't we?

Mr. Harris: Yes, that is the date that is in evidence.

General Crane: I am not sure whether I have offered that or not.

Mr. Harris: Yes, I know you did, General.

General Crane: Now, on page 1403, beginning about the lower third, practically—still talking about the use of the funds of the State to pay for incidentals, and objecting to some hearsay statements that he made, I say "I object to what they told you. And you know, as the Governor of this State, that the Courts of the State are against you in every proposition and contention you made about it?"

A. Yes, sir.

Q. Still, you stand before the Legislature as having used up the appropriation made as incidental, and without refunding the difference of it to the State Treasury?

A. Yes. While the Court is against me, they are against the Legislature, too, and if this Legislature will say they want the money paid back I will pay it here—I will put my check in Judge Fly's hands right now.

Q. Don't you think that the Supreme Court having announced it, that the Executive ought to comply with the decree of the Supreme Court of the State without asking the Legislature's opinion about it?

A. If the Legislature will say it, I never understood anybody wanted it—if the Legislature will say they want me to give back that money—

Q. You are not answering my

question. Do you mean to say that you will not, as Governor of this State, abide by the Supreme Court of the State as the law of the land, unless you are forced by the Legislature?

A. I won't say what I will do. I don't want to do anything against the will of the Legislature or the courts; I simply say if this Legislature wants me to give back the money that they gave to me and understood at the time that it was to be used for groceries and gasoline, I will gladly give it back, but until they do say that—

Q. But you do not feel under any obligation to do that unless the Legislature so states?

A. No, sir.

General Crane: That ends on the upper two-thirds of page 1404.

General Crane: Speaking of his deposits of the State's money, or the deposits of the State's money—his deposits of State money—

Mr. Henry: What page is that?

General Crane: Page 1407—in the banks in Bell County in which he was interested:

Q. Did you deposit any of the money in any other bank in Bell County?

A. No, sir.

Q. Did you deposit any of it in the Heidenheimer bank in which you were interested?

A. I don't recall now, General; there might have been a small deposit there.

Q. How much do you think was there?

A. Since you have mentioned it, possibly there might have been five thousand there.

Q. You own a majority of the stock in the Heidenheimer bank?

A. No, sir.

Q. You own a large block of it?

A. Yes, sir.

Q. What proportion?

A. I think I own forty per cent of the stock.

Q. Forty per cent?

A. Yes, sir.

Now, I wish you would be sure to turn these pages.

Mr. Hanger: Yes, I am keeping each one. That was 1407, the last one.

General Crane: Yes, I believe so.

Mr. Hanger: Yes, I know it was.

General Crane: Going then over

to 1409, beginning about a third of the page down:

Q. Now, when this money"—meaning that heretofore talked about—"was deposited in the Bell County bank or banks, as the case may be, this money"—here skipping the location of the Heidenheimer Bank—"was deposited there, and it drew no interest to the State?

A. No, sir.

Q. The bank gave no bond or security for its repayment?

A. No, sir.

Q. The Temple State Bank executed no bond at all?

A. No, sir—just deposited in the usual way."

Then, on page 1416, speaking of the fund—in regard to the fund which he had in the banks, he says:

Q. "Now, you found that fund in the hands of banks that were paying interest on it?

A. Yes, sir.

Q. You took it out, and did not pay it to the Treasurer where he could put it in the sixteen depositories, but put it in your own bank and the American National Bank. Now, that's the fact?

A. Yes, sir, that's the fact.

Q. The money had already been collected—there was no excuse for clearing it?

A. Oh, no, not at all.

Q. It was all in cash?

A. No, sir, not all in cash. Next is page 1417:

Q. Well, the same thing as cash?

A. Nor was all the money paid over to me immediately by Governor Colquitt. He gave me these certificates and evidences of debt issued by the banks, and a great part of it stayed there for a long time.

Q. Well, they paid interest as long as it stayed there?

A. Yes, sir, but under an agreement to have the money at any time we wanted it."

Going to page 1419, about the middle or third of the page, discussing the question of lending money that had been deposited:

Q. Exactly. Now, when you put money in a bank you don't know whose money you are getting when you go down there—it just comes from the funds in the bank?

A. Yes, sir, that's true.

Q. Then all the moneys and funds and all, except the fixtures, it"—meaning the bank—"would lend to

somebody and be drawing interest?

A. Yes, that's true.

Q. Then, as a matter of fact, it was some advantage to the bank to take State funds and deposit them in the vaults so it might lend them to other banks at two per cent or lend them to its customers at a greater per cent?

A. Yes, sir.

Going then to page 1423 and discussing the same question of paying interest:

Q. Now, you had a special fund on deposit in the Temple State Bank known as the Escrow Fund, growing out of the Dayton Lumber Company case upon which the bank was paying—you together were paying six per cent, weren't you?

A. No, sir, they were paying four per cent.

Q. Well, have you looked at the contract lately?

A. You are perhaps confusing the agreement between Mr. Mansfield and myself that it would draw six per cent. I say counsel is confusing the agreement between Mr. Mansfield and myself that his account in the fund should draw six per cent, but I think the agreement of the bank was that it should draw but four per cent, as I recollect. I haven't seen the contract in a good many years.

Q. I see. Now isn't it true, Governor, that at that time—let's get back to that; you were paying at least four and a half per cent on that, and isn't it true, to refresh your memory, that the bank paid four and a half per cent and you paid one and a half per cent, and the depositor got six per cent?

A. You mean the depositor?

Q. Yes. It was to draw six per cent pending the litigation?

A. No, sir, not altogether.

Q. Well, now, let's see if I understand the proposition. You had sold the Dayton Lumber Company this tract of land?

A. Yes, sir.

Q. And something over seventeen hundred acres came into litigation afterwards?

A. It was in litigation at the time of the sale.

Q. At any rate, the money was to be paid into the Temple State Bank—reading on page 1424, now—"to await the result of the litigation?"

A. Yes, sir.

Q. If they lost the land, of course, they wouldn't owe you this money,

and with that understanding there was an interest account agreed on?

A. Yes, sir.

Q. Now, you made some statement here the other day that that matter was already settled on August 23, 1915, when this note was paid out of your account as Governor in the Temple State Bank?

A. I didn't say it had all been settled, but practically settled.

Q. Isn't it true that no decision had been rendered in it at all by the higher court?

A. My recollection is that it had.

Q. Isn't it true that the decision was not rendered in the case until six months thereafter?

A. I don't remember the date."

I then call for the 188 Southwest-ern.

"Q. That account was not checkable—you couldn't draw against it until that litigation was settled, could you?

A. No, sir.

The next question was:

Q. I didn't understand the answer?

A. No, sir.

Q. You had no right to draw against it until that litigation was settled, and if the Court of Civil Appeals had not at that time decided it—and that is a matter we can inquire into—you had no right to pay that item out of that amount on deposit?

A. Well, that's a question whether they could have charged it to it.

Q. But you, under your agreement with the Dayton Lumber Company, could not use any part of that sixteen thousand dollars until that case was decided, could you?

A. No, sir.

On page 1430, going to the amount of his indebtedness to the Temple State Bank due by himself and his wife and the Bell-Bosque Farm, it was admitted to be substantially \$170,000. He then answers in addition to that: "Well, that included a note that was due, executed by my wife, and secured by a lien upon her estate.

Q. Yes. Eliminating that, though, or \$15,000, it left an indebtedness of the two institutions—that is, your corporation and yourself—of about \$155,000?

A. Yes, sir.

Q. Now, this Bell-Bosque Farm, I believe you have heretofore stated, was practically all owned by you and Mrs. Ferguson?

A. Yes, sir.

Q. The others who appeared as—to be owners in it, containing simply"—his answer interrupting me:

A. Qualifying directors.

Q. Owned simply as qualifying directors under the rule that it was thought it was necessary for them to be stockholders?

A. Yes, sir.

Q. They really had no substantial interest in it, did they?

A. No, sir.

Q. Governor—you are—

Mr. Hanger: What page?

General Crane: Yes—beg pardon; 1439.

Q. Governor, you are familiar with Article 96 of the Penal Code, aren't you?

A. In a general way, yes.

Q. (Reading): "If any officer of the government, who is by law a receiver or depository of public money, or any clerk or other person employed about the office, of such officers, shall fraudulently take or misapply, or convert it to his own use, any part of such public money, or secretes the same with intent to take, misapply, or convert it to his own use, or shall pay or deliver the same to any person, knowing that he is not entitled to receive it, he shall be punished by confinement in the penitentiary for a term of not less than two nor more than ten years. Within the term, misapplication of public money, are included the following acts: First, the use of any public money, in the hands of any officer of the government, for any purpose whatsoever, save that of transmitting or transporting the same to the seat of government and its payment into the Treasury. Third, leaving out the reading of the second section: "The exchange, by any officer, of one character of public funds, in his hands, for those of another character; the purchase of bank checks, or postoffice orders, in exchange, for transmission to the Treasury, is not included in this class." That is the second section that I intended to omit, but I see they've got it in anyhow. "Third. The deposit by an officer of the government, of public money in his hands, at any other place than the Treasury of the State, when the Treasury is accessible and open for business, or permitting the same to remain on deposit at such forbidden place, after the Treasury is open."

Q. Were you familiar with the terms of that statute when you had, or consented to the funds that were deposited in the American National Bank of Austin to be transported to Temple, Texas—to the Temple State Bank, rather than to be deposited in the State Treasury?

A. I was.

Q. You knew of its terms.

A. Absolutely.

Q. Temple is how far from Austin, from the State Capitol?

A. Why, seventy-three miles, I think.

Q. Seventy-three miles. The Treasury was open at the time that this money was deposited to the Temple State Bank's credit in the American National Bank, wasn't it?

A. Open every day.

Q. Open every day?

A. Yes.

That ends on the top of page 1441.

Beginning on the bottom of page 1449, the question is:

Q. Now, you took \$60,000 to the Temple State Bank yourself on one occasion?

A. Yes, sir.

Q. What date was that and what was the occasion of it?

A. I think it was in the other quarter before the last quarter.

Q. What money was that?"—

Mr. Hanger: Is that 1441? I didn't get that.

General Crane: 1449. What money was that?

A. I think it was franchise taxes.

Q. Secretary of State's funds?

A. Secretary of State's funds.

Q. How come you to be a messenger to take the \$60,000 up to the Temple State Bank?

A. Well, I was going to Temple and he wanted to transfer that much money there and gave me a check on the American National Bank and I took it up there and deposited it with the Temple State Bank.

Q. Was that the occasion when you went up there to adjust your private affairs with the bank?

A. I think it was at one of the meetings of the directors.

Q. Now, they were insisting that you pay or secure the amount of indebtedness of the overdrafts and notes of yourself and the Bell-Bosque Farm, isn't that true?

A. I think the matter had been arranged at that time.

Q. Didn't you use that \$60,000

as a matter or argument to show them that you were worth more to the bank than anybody else connected with it?

A. No, sir, it had nothing to do with my account whatever.

Q. Nothing to do with your account. About what date was that?

A. I don't remember; I think it was some time the latter part of February.

Q. The latter part of February?

A. Yes, sir.

Q. Well, if you didn't use it for your own advantage in any way, why did you become the messenger carrying it—why didn't you make Church Bartlett send it up there in his own way?

A. Well, he could have done it just the same.

Q. Why didn't you deposit it here in the American National Bank and check it out to the Temple State Bank in the ordinary way?

A. Well, I could.

Q. It could have been done?

A. Yes, sir.

Q. But it wasn't?

A. No, sir.

Q. Now, to refresh your memory, isn't it true that the night you carried that \$60,000 there, or the day, the night of the day, that you had a meeting of the board of directors and the whole matter was discussed with the Temple State Bank?

A. My private affairs were discussed, yes, sir.

Q. Didn't you exhibit that check to them there?

A. No, sir, I didn't, but the cashier did.

Q. The cashier of the bank did?

A. Yes, sir.

That ends on page 1451.

The Chair: General Crane, just a moment.

General Crane: Yes, sir.

The Chair: The Chair is powerless to preserve order here unless the members of this Court and the people in this Chamber will have some regard for the requests and admonitions of the Chair. I believe that we all, if we just think how hard it is to hear, will see that we ought not to do anything that would be a disturbing factor here at all, and we do not want any of the employees of the Senate especially to be guilty of engaging in conversation here or other things that would disturb the members of the Court or

counsel. We think we have made ourselves plain. We want the pages to keep their seats except when they are called by Senators, and when you have done the work you have been called to do we want you to take your seats again, and no two of you in the same place or in the neighborhood of each other. Proceed, General.

General Crane: As to the hundred and fifty thousand dollar loan.

Mr. Hanger: What page is that?

General Crane: Just one moment. That is as to the hundred and fifty thousand dollars in currency—\$156,500—beginning in the middle of page 1460, or about the middle:

Q. Previous to the time you took up the three notes. Those deposits occurred in your own bank and the other bank during the latter part of the month of April—that's the currency deposits—from the 22nd to about the 27th, I believe. Now, was the fifty thousand obtained before or after that time?

A. Before the 22nd of April?"

Q. Yes?

A. I don't remember about that—don't remember the date.

Q. As I understand, then, Governor, you decline to answer from whom you obtained \$150,000 in currency?

A. Yes, sir; I think it might probably have been a little over that.

Q. You say a little more than that?

A. Yes, sir.

Q. You decline to state how many different people paid it to you?

A. Yes, sir.

Q. Or who they were?

A. Yes, sir.

Q. Or where they live?

A. Or where they live.

Q. Was there more than one?

A. I think I have answered—I endeavored to make my meaning clear. I am not going to tell you anything about it. Nobody has charged me with any bribery, but in view of the whispering that is going on I want to tell you that I didn't get it from anybody that wanted a school located anywhere in Texas, and I want you to understand that.

Q. Was there any security given for the hundred and fifty thousand?

A. Everything I've got in the world is behind it.

Q. Not in the shape of a mortgage, is it?

A. I am not going to tell you anything about that private transaction. The public certainly are not concerned with my private business. It has certainly got to a place somewhere where a man's private business, private affairs, ought to be protected, as they are protected under the bill of rights.

Q. Well, we will pass that for the present and submit it to the Committee later.

Excuse me, Mr. President, just a moment, please. I apologize to the President and to the Court because we can't group it all on the same subject exactly, we would have to take so much time. Perhaps we had better read it along as we go.

In discussing the University incident, this question was asked him—

Mr. Hanger: What page?

General Crane: On page 1465.

Mr. Hanger: What part of the page does it begin?

General Crane: Beginning down near the bottom, the last paragraph or two above the bottom. Referring to his controversy with the President—with the people out there, the question was put in this form: "But in any event, you are doing that, on the hearsay statement that he had gotten such money, without ever looking into the circumstances under which the moneys were obtained. Now, what other men had—the traveling expenses of Dr. James, the difference between a mileage ticket and the three-cent fare, you thought that he ought to be dismissed on that account, didn't you?"

A. Not the difference in the money, the question of the amount—the principle of the thing.

Q. Well, now, the principle of the thing—all right. Now, you heard Labor Commissioner Davis testify that the people in his department had been doing the same thing, didn't you?

A. Yes, but you said that what somebody else did, did not justify me, and what Mr. Davis did, didn't justify me either.

Q. No, but I am inquiring into your point of view, I am inquiring why you should want to dismiss the University professors for doing a thing that does not even excite an inquiry on your part in the departments of the State government?

A. I didn't know that that had

been done until I heard Mr. Davis say so.

Q. Didn't you know of the Comptroller's letter, Mr. Terrell's, being issued and written to all the departments calling attention to the fact that they were doing just that, and that it ought to be stopped?

A. Yes, sir, that is about the time he came in and he and I talked about that very thing.

Q. Now, did you ever institute any inquiry and dismiss any of the State agents, or the State people, for doing just that?

A. I told the heads of the departments that that should be stopped.

Q. All right. The University President stopped it out there. But did you insist that the people who had been indulging in those practices or the heads of the departments, should be dismissed from office and should no longer be in the employ of the State?

A. Oh, not altogether on that point alone, no, I didn't do that.

Q. No, you waived that as to them?

A. No, I didn't waive it; I said that was one of the things.

Q. Yes, now, you thought Dr. Vinson wasn't fit—no, take out that last question, because I didn't intend to read that.

Mr. Hanger: Where does it end?

General Crane: That takes it down to the bottom of 1466. On page 1477, continuing the University incident:

Q. I asked you if the only difference between you and the University management now is that you demand that Dr. Vinson shall be removed?

A. I don't demand that Dr. Vinson be removed.

Q. You want him removed, don't you?

A. I think you can get a better man for the place; he is not big enough for the job.

Q. And isn't it true that you sought to have him removed at Galveston?

A. No, I didn't seek—I said he ought to be removed.

Q. Didn't you demand—didn't you insist that Brents should vote against him?

A. I said that he ought to vote against him, yes, sir.

Q. Didn't you insist that Wilbur Allen should vote against him?

A. Yes, sir, and he agreed with me.

Q. He agreed with you?

A. Yes, sir.

Q. Now, isn't it true, also, that you insisted that Mr. Kelley at El Paso should vote against him?

A. Yes, sir, and he agreed with me.

Q. Yes, you thought he would stand hitched before you even appointed him, didn't you?

A. Yes, sir, and I never said a word to him about it.

Q. No, no, you thought he was a man who would be responsive to your wishes?

A. I thought he would be a man that when you told him what was right that he would stay hitched, and say so.

Q. Exactly, and that he would not use his head at all as to what was right?

A. Yes, you bet your life, and we have had some great arguments about this proposition.

Q. Yes. Now, you did not get Dr. Tucker on the Board—

I beg pardon, I passed over the limit; the part between the marks on page 1478 I am not reading. We begin then on the bottom line of the page again.

Mr. Hanger: Page 1478?

General Crane: Yes. Now, Governor, didn't you ask Mathis to vote against Vinson?

A. John Mathis?

Q. Yes.

A. I told him that I thought he ought to be removed.

Q. And he did vote against him?

A. I think he did.

Q. You asked Love to vote against Vinson?

A. I told him I thought he ought to be removed.

Q. And Love did just what you said?

A. Well, he agreed with me.

Q. He voted against him?

A. I don't think they have ever voted on Vinson.

That is the upper part of 1479. Then beginning on the upper part of page 1480.

Q. Well now, John Ward, your personal counsel—

A. Yes, sir.

Q. —is the last man you appointed, isn't he?

A. Yes, sir.

Q. Now what was he selected for?

A. Because he was thought to be competent to fill the place.

Q. Well you thought he would co-operate with you, didn't you?

A. Yes, sir.

Q. That is, conform to your judgment?

A. Absolutely, a man that does not appoint his friends ought to be bored for holler-horn and ought not to be running for office.

Q. Now, you testified here the other day,—beginning near the bottom of page 1480 and going on to 1481—you testified here the other day that you and Mr. Brents had a conversation about Dr. Vinson, didn't you?

A. Yes, sir, down at the Driskill hotel.

Q. And that Mr. Brents said that Dr. Vinson was not suitable for the place, or that he was?

A. He thought he was all right.

Q. He thought he was all right?

A. Yes, sir.

Q. And didn't you remind him that he ought to co-operate with you?

A. Yes, sir, I told him, I says, "You sought this place, and voluntarily told me you wanted to co-operate with me, that you had read every bit of the investigation before, that I was entirely correct and that you wanted to help me carry out my policy," and I said, "In place of that you are down here voting for a man that organized a mob to come down and take you and me both out."

Q. Exactly. Now we have got to the point where I have been trying to get you to place yourself.

A. Yes, sir.

Q. And that is, that his failure to co-operate with you was the fact that he would not agree with you that Vinson ought to be removed?

A. The fact of what?

Q. The fact that he failed to co-operate with you was the fact that he would not agree that Vinson ought to be removed?

A. I was arguing with him.

Q. Exactly?

A. Yes, sir.

Q. And that is what you meant by co-operation in that Galveston meeting?

A. Yes, sir.

Now on page 1528:

Q. Governor, on yesterday you stated that Mr. Brents sought the appointment of Regent of the University. Did you mean to state that of your own knowledge?

A. That was my information, that he wanted to be appointed Regent.

Q. Your information?

A. Yes, sir.

Q. You were not advised that he wrote Dr. Vinson not to recommend him for Regent,—that he had rather not be appointed.

A. Dr. Vinson?

Q. Yes?

A. I don't know what he wrote Dr. Vinson.

The Chair: Mr. Hanger, do you desire to wait while the Governor is out?

Mr. Hanger: No, I think not. He was called to the 'phone, but it is all right, go ahead.

General Crane: We now offer the rendition of the Governor of the Bastrop Coal Company for 1916, page 1538:

Bell County, A. F. Ferguson, 160 acres of land, value \$1500; personal property, \$380; the Bastrop Lignite Coal Company, got 1916 (as rendered), 492 acres of land, value \$4,920; personal property, \$1410. Making a total of \$6330.

Signed, H. B. TERREL,
Comptroller.

Now, going back to this \$150,000 currency item:

Mr. Hanger: What page?

General Crane: Page 1541.

Q. Well now, what debts did these friends of yours take over, leaving their names out for the present—you say they loaned you, I believe, something over \$156,000?

A. Yes, sir.

Q. Would you mind stating—you do not object to stating how much more than \$156,000?

A. I think it was about—I think it was about \$156,500—something like that.

Q. About \$156,000?

A. Yes, sir.

Q. Now, what debts of yours existing at that date did they take over?

A. They loaned me the money and I paid my debts with it.

Q. You paid the debts?

A. Yes, sir.

Q. But when they loaned you the money and you paid the debts, you stated that you had secured it with everything you had. Now, what mortgage did you give them?

A. Now, I said everything in the world I had was behind it. The bill of rights gives me the right, and you know it, that you have got no right to inquire into my private business

and my private papers, and I am not going to tell you anything about it.

Q. You are not going to answer any of those questions?

A. No, sir, I am not. If the price of the Governor's office must be that I have got to submit to this humiliation of unloading to you gentlemen my private business, in which you have no concern, then I am going to suffer, I am not going to pay the price, and I am not going to violate my word, and I am going to take care of my private business.

Q. You would not indicate to the Legislature when you received the first batch of currency on that loan?

A. No, sir, I am not going to tell you anything about it, that is my private business. The thing has got—

Q. And you will not tell the different amounts and the fact that it was all received in currency at the Capitol?

A. I will tell them that I borrowed about \$156,500, and it was in currency, delivered to me in currency.

Q. Now, wasn't the first item in February, and wasn't the rest in the month of April, 1917?

A. I will not tell you anything about it. I think I made myself plain to you—I don't want to be disrespectful to you or to the Committee, but the point has been reached where I must either face bankruptcy or hold an office, and I have always stated I am going to keep myself independent of the public; I have surrendered about \$100,000, and I am nearly \$100,000 poorer since I have been in office.

General Crane: This statement was made—

Mr. Henry: What page is that?

General Crane: Page 1542—by counsel representing Committee, continuing from just where I left off a while ago—we think that in this investigation we are entitled to the answer, and the official position of the witness does not exempt him from answering the question any more than any private citizen.

Mr. Hanger: We think that is not admissible, the speech made.

General Crane: I may not, except you have the right to read your speeches. I think it is going a little too far. I withdraw that, except to add that I then and there insisted on a ruling on the proposition as to

whether he should be compelled to answer, that was argued pro and con.

Again on page 1581, this question:

Q. When the Davis resolution was introduced in this House last March didn't you say on the floor of this House on March 3, that you did not owe the Temple Bank one cent?

A. March 3?

Q. That was the day the Davis resolution was introduced and you spoke here?

A. Yes, I think I did. I had settled—given my note to the bank then?

Q. What bank?

A. Temple State Bank, and the note had been taken up by the Houston National Exchange Bank.

Q. You say you had given your notes to the Temple State Bank—those notes had been taken up by the Houston National Exchange Bank? Isn't it a fact that the notes were not taken up by the Houston National Exchange Bank as shown by the record here until five days after that speech?

A. Well, my note—

Q. —no, I am talking about the A. F. Ferguson and J. H. Davis note.

A. Well, I didn't owe them anything; that wasn't my note.

Q. Didn't you testify on yesterday that was your debt—it was recognized as your debt at the bank, by yourself, and by the Commissioner of Insurance and Banking, and for that reason you voluntarily gave to the bank that written guarantee?

A. Yes, I said that, notwithstanding the form showed it was to the bank, that I was morally bound to pay it.

Q. Morally bound?

A. Yes, I was not legally bound to pay it.

Q. You were not legally bound to pay the money as accommodation maker of the note with your written guarantee?

A. Not to the bank.

Q. Not to the bank?

A. After my letter had been written I was.

Q. Wasn't that letter written on January 22?

A. Yes, I believe it was.

Q. The same day the notes were given?

A. Yes, sir.

Now, as to the \$11,000—I won't incumber the record with that at this time. Take that out please.

Mr. Hanger: Where is that about the \$11,000?

General Crane: 1583. We will read it, as long as I have reached it, let it go in.

Q. How about that note for \$11,243.07?

A. Well, that was a note that was given originally to the Whitley Cotton Company—I learned afterwards that it had been transferred to the Temple State Bank. At the same time I settled by the execution of the four notes for \$150,000 no claim was made on me for that note, and I didn't know they owned that note at the time.

Q. You didn't know it?

A. No, sir.

Q. But it was your note?

A. Oh, yes.

Q. Who did you think owned it when you were testifying?

A. I thought it was among the assets of the Whitley Cotton Company.

General Crane: (Handing Mr. Hanger a newspaper.) Do you agree that is his statement there?

Mr. Hanger: Prove it up.

General Crane: All right.

Beginning on page 1598, the Bastrop—wait a minute—speaking of the Bastrop bonds and of a certain note being secured by fifteen bonds of a thousand dollars each—

Q. Who took up those bonds?

A. Mr. Louis Adoue, of Galveston.

Q. Yes? The Bastrop Lignite Coal Company has bonds outstanding of approximately \$70,000.00, haven't they?

A. Let me see, yes, sir, I think it is \$69,000.

Q. \$69,000?

A. And I sold them with my guarantee on the bonds.

Q. With your guarantee on the bonds?

A. Yes, sir.

Q. Who holds the balance of those bonds?

A. I don't know.

Q. Do you know who holds any of the others?

A. No, I don't.

Q. To whom were they sold?

A. I don't remember now.

Q. You don't remember whom any of them were sold to?

A. I think—let's see—\$15,000 Mr. Dennison holds, you know—\$20,000.

Q. He is manager of the mines?

A. Yes, sir.

Q. A partner of yours in the transaction, isn't he?

A. He is a stockholder or officer of the corporation.

Q. And you and he practically own it, don't you?

A. Yes, sir, we own all the stock.

Q. Yes, sir, you do not know who owns any of the balance of the bonds?

A. No, sir.

Q. Is your guarantee out on any of the balance of the bonds except those to Louis Adoue?

A. Yes, my guarantee is out on the—the bonds are payable to bearer and it is out on all the bonds.

Q. At the time you guaranteed them, or to whom were they sold?

A. I think I sold some of them to Mr. Hamilton at Houston.

Q. Which Hamilton?

A. Hugh Hamilton.

Q. Head of the Magnolia Brewing Company?

A. That's the man.

Q. Yes? How much did he buy?

A. I forgot how much he bought.

Q. Mr. Adoue is with the Galveston Brewing Company, isn't he?

A. I understand he has got stock. He is president of the Adoue & Loubit Bankers in Galveston.

Q. How is that?

A. He is the manager of Adoue & Loubit, Bankers in Galveston.

Q. Do you remember how much of the bonds he holds?

A. No, I don't.

Q. Approximately—you don't remember approximately?

A. No, I don't.

Q. As much as \$25,000?

A. Not over that much—I don't know—Mr. Allen Sanford owns one of the bonds, too.

Q. How many?

A. One of them.

Q. One? Do you know of anybody else that owns one of them, or that you sold any of them to?

A. No, I don't remember now, we peddled them out through this country.

Q. Sold them wherever you could?

A. Yes, sir.

Q. Sold them at par?

A. Yes, sir.

Q. With your guarantee?

A. Yes, sir.

Q. Your personal guarantee?

A. Yes, sir.

Q. When were they sold to Adoue and Hamilton?

A. Well, I think the Adoue bonds were transferred last year. That is where the \$15,000 New York Exchange that you inquired about here came from.

Q. Yes?

A. The other, I think, was sold before that.

Q. Before that?

A. Yes, sir.

Q. Since you have been Governor?

A. Yes, sir.

Senator Bee: General Crane, is there anything else you wish to read right now, or would you rather rest awhile?

General Crane: Just as the Senate says.

Senator Bee: Mr. President.

The Chair: The Senator from Bexar.

Senator Bee: There is a committee meeting at one o'clock, and I thought probably General Crane was tired. I have no objection to going until 12, except we are called to a special committee meeting.

Mr. Hanger: He has been reading pretty steadily.

Senator Bee: He has been reading pretty steadily for a couple of hours here, and I move that we rise to meet at 2:30, Mr. President. The reason I say 2:30 is because there is a committee meeting and there is probably a delegation here from all over the State to meet the committee.

The Chair: The Senator from Bexar moves that the Court rise to meet at 2:30 this afternoon. Those in favor of the motion say "Aye," and those opposed "Nay."

(The motion having prevailed the Court arose to meet at 2:30 this afternoon.)

In the Senate.

President Pro Tem. Dean in the Chair at 11:50 o'clock a. m.

Morning call concluded.

Senate Bill No. 10.

The Chair laid before the Senate on second reading:

S. B. No. 10, A bill to be entitled "An Act to amend Chapter 42 of the General and Special Laws of the First Called Session of the Thirty-fifth Legislature, relating to the State institution for the training of juveniles, as found on pages 92 and 93 of the laws of the First Called Session of the Thirty-fifth Legislature."

The committee report that the bill be not printed was adopted.

On motion of Senator Dayton the bill was laid on the table subject to call.

Simple Resolution No. 15.

Senator Woodward asked for unanimous consent to take up Simple Resolution No. 15, relating to an appropriation for the drouth stricken portions of the State.

Senator McNealus objected and called for the regular order of business, Senate Bill No. 3.

Senator Woodward moved that the regular order of business, Senate Bill No. 3, be suspended, and that the Senate take up, out of its order, Simple Resolution No. 15.

The motion to suspend prevailed by the following vote:

Yeas—20.

Alderdice.	Henderson.
Bailey.	Hopkins.
Bee.	Johnson of Hall.
Buchanan of Bell.	Johnston of Harris.
Buchanan of Scurry.	Page.
Caldwell.	Parr.
Clark.	Strickland.
Collins.	Suiter.
Floyd.	Westbrook.
Gibson.	Woodward.

Nays—3.

Dayton.	McNealus.
Hudspeth.	

Present—Not Voting.

Dean.	Robbins.
Decherd.	

Absent.

Hall.	McCollum.
Harley.	Smith.
Lattimore.	

The Chair laid before the Senate and the Secretary read in full Simple Resolution No. 15. (See Journal of September 10 for the resolution in full.)

Senator Henderson offered the following amendment which was read and adopted:

Amend the resolution by adding after the word "and" in line six the words "a doubt of."

Action recurred upon the resolution as amended and the same was adopted by the following vote:

Yeas—18.

Bee.	Hopkins.
Buchanan of Scurry.	Hudspeth.
Caldwell.	Johnson of Hall.
Dayton.	Lattimore.
Dean.	Page.
Decherd.	Parr.
Floyd.	Suiter.
Gibson.	Westbrook.
Henderson.	Woodward.

Present—Not Voting.

Bailey.	McNealus.
Johnston of Harris.	Strickland.
McCollum.	

Absent.

Alderdice.	Hall.
Buchanan of Bell.	Harley.
Clark.	Robbins.
Collins.	Smith.

Reasons for vote.

I desire to vote "Aye" because I know that some relief must be secured for the poor people in the drouth-stricken section of Texas; and I am going to vote "Aye" on this resolution and every other resolution, bill or measure of any kind or nature for the relief of these people.

DAYTON.

Recess.

At 12:25 o'clock p. m. Senator Lattimore moved that the Senate recess until 2:30 o'clock p. m. today. The motion prevailed.

After Recess.

(Afternoon Session.)

President Pro Tem. Dean in the Chair.

Message from the House.

Hall of the House of Representatives,
Thirty-fifth Legislature, Third Called
Session.

Austin, Texas, Sept. 12, 1917.

Hon. W. L. Dean, President Pro Tem.
of the Senate.

Sir: I am directed by the House
to inform the Senate that the House
has passed the following bills:

H. B. No. 15, A bill to be entitled
"An Act to reorganize the Seventieth
Judicial District of the State of Texas,
and to make all process issued or
served before this Act takes effect, in-
cluding recognizances and bonds, re-
turnable to the terms of the courts
as herein fixed; to validate such pro-
cess and to validate the summoning
of grand and petit juries; repealing
all laws and parts of laws in conflict
herewith, and declaring an emerg-
ency."

H. B. No. 3, A bill to be entitled
"An Act providing that in case of sales
of real property of soldiers or sailors
serving in the armies or navies of the
United States who are in war with
Germany, by virtue of deeds of trust
or mortgages, where such sales are
made without foreclosure suits, that
before the execution of any convey-
ance or delivery of the property there
shall first be filed a suit for the con-
firmation of the sales and for author-
ity to make conveyance and delivery
of the property, declaring how service
shall be had in such suits and the law
applicable thereto, and providing for
confirmation of such sales, and declar-
ing an emergency," with engrossed
rider.

H. B. No. 5, A bill to be entitled
"An Act to amend Chapter 105 of the
Acts of the Regular Session of the
Twenty-ninth Legislature, which Chap-
ter is entitled 'An Act to prevent the
diversion of electric current, water or
gas, from passing through any meter,
and prevent any electric, water or gas
meter by any manner or means from
registering the full amount of current
of electricity, water or gas, that passes
through it, and to prevent the diversion
from any wire of electric current,
water or gas, of any person, corpora-
tion, or company engaged in the manu-
facture or distribution of electricity,
water or gas, for lighting, power or
other purposes; and to prevent the re-
taining of, or refusing to deliver any
meters, lamps or other appliances

which may have been loaned or sup-
plied for furnishing electricity, water
or gas; and to prescribe a penalty for
the violation thereof'; so amending
said Chapter as to make the presence
on or about such meters, wires and
pipes, of any device for the diversion
of electric current, water or gas, or for
the prevention of the proper action,
or registration of the meter prima
facie evidence of intention on the part
of the user to defraud, within the
scope of such Chapter and so amend-
ing said Act as to effect more fully
the purpose thereof, and to repeal
all laws in conflict herewith."

H. B. No. 2, A bill to be entitled
"An Act to amend Articles 1867 and
1868 of the Revised Civil Statutes of
the State of Texas and to repeal all
laws in conflict therewith by providing
that a defendant who is in the service
of the United States as a soldier shall
not be required to answer to the merits
of a demand sued upon during the
time he is actively engaged as a
soldier in the war between the United
States and the imperial government of
Germany, and providing that he shall
be required to answer to the merits of
such suit within ninety days from the
date of the signing of a treaty of peace
between the United States and the im-
perial government of Germany; and
declaring an emergency," with en-
grossed rider.

Respectfully,

BOB BARKER,

Chief Clerk, House of Representatives.

Bills Read and Referred.

The Chair, President Pro Tem.
Dean, had referred, after their cap-
tions had been read, the following
House bills:

H. B. No. 15, referred to the Com-
mittee on Judicial Districts.

H. B. No. 5, referred to the Com-
mittee on Criminal Jurisprudence.

H. B. No. 2, referred to the Com-
mittee on Civil Jurisprudence.

H. B. No. 3, referred to the Com-
mittee on Civil Jurisprudence.

Special Committee Appointed.

Pursuant to Simple Resolution No.
15 adopted this forenoon, the Chair
appointed as the special committee
therein provided for the following
Senators: Woodward, Caldwell and
Page.

In the Court of Impeachment.

Wednesday, September 12, 1917.

Afternoon Session.

(Pursuant to the recess adjournment, the Senate, sitting as a Court of Impeachment, reconvened at 2:30 o'clock p. m.)

The Chair: The hour having arrived for the convening of the Court of Impeachment, all except those entitled to the privileges of the Chamber will retire. Let us have order, please. The Senator from Cooke desires to make a statement.

Senator Dayton: Mr. President, this morning I received notice that I would be expected, and almost have to be, at College Station on the 19th.

A Senator: Louder.

The Chair: Louder.

Senator Dayton: And I desire to make that statement now so that the Court may know that I will be absent on that date.

The Chair: All right. Gentlemen, are you ready? All right, Gentlemen, proceed, please.

(General Crane prepared to read from a volume of the testimony given in the House of Representatives, sitting as a Committee of the Whole.)

Mr. Hanger: That is still Volume 4, General?

General Crane: Yes, sir, that is four—but that is not just what I intended to read just at this time. (To associate counsel): What is that other one?

Mr. Hanger: What is that volume?

Mr. Harris: Volume 3.

Mr. Hanger: Volume 3?

General Crane: Yes.

The Chair: Mr. Sergeant-at-Arms, can you preserve order, you and your assistants?

General Crane: I am reading on page 1219, from a part of the direct examination of the Governor:

Q: The fourth charge, Governor Ferguson, reads as follows—(referring to the charge made in the House)—“James E. Ferguson was, as above alleged, a heavy stockholder in the Temple State Bank, and has profited by the use of money belonging to the taxpayers of Texas, and that for some time prior to July 12, 1917, there was deposited in the Temple State Bank certain money belonging to the State of Texas amounting to more than \$400,000;

that said money was used by said bank contrary to law and for the profit of the stockholders of said bank, among the largest of them being James E. Ferguson, Governor of Texas; that he knew that said money should be in the State Treasury, but in defiance of law permitted said money to remain in said bank, and appropriated the fruits and benefit thereof?”

A. While the charge does not so state, I take it for granted from the questions heretofore asked, that reference is made to the account kept by the Secretary of State in the Temple State Bank. Previous to May of each year, I think it is May 1st, or probably it might be some other day in May, but as I recollect it, May 1st, the franchise taxes due and owing by the respective corporations in the State are payable and are paid into the hands of the Secretary of State, and he issues his official receipt therefor after he has collected it. I think it was—anyhow, at that time, at the time, at the date wherein the item of \$250,000 is discussed here, and perhaps previous, probably a month or two previous to that, I had said to the Secretary of State that, “I understand you have large sums coming into your possession for the payment of franchise taxes. As the law requires you to settle at the end of each quarter, at a time when you are required to file your official report, and before which time you can not pay any money into the Treasury (and it had never been the custom to pay it into the Treasury), I would appreciate it if you would deposit with the Temple State Bank any amount that you can”; and, frankly, I was willing for it to be as large as possible.

Ending on 1220.

Turning to 1221, a question was asked:

Q. Let me interrupt you long enough to ask you this question: Some statement has been made here, or some contention has been made that these payments should have been made monthly: Who was John S. Patterson?

A. John S. Patterson was, at his death, the Banking Commissioner of Texas.

Q. Was he a lawyer?

A. He was one of the best lawyers of his age in Texas.

Q. Did you have any character

of advice from him, or did he investigate at any time, or make any report to you at any time, about these reports?

A. Yes, sir; when it appeared that previous to his coming to Austin, and my coming to Austin, that it had been the custom for some of the officials to deposit monthly—but I want to say right here, that so far as I have been able to learn from diligent inquiry from every source open to me, it has never been the custom in Austin, nor do I consider, nor has anybody else considered it, the law, that anybody should deposit the money in the Treasury the very minute that they receive it; no department; so far as I have been informed, the Land Office, the Comptroller, the Attorney General, the Secretary of State, or any of the other heads of departments, have ever done any more than to deposit monthly.

That is page 1221.

Mr. Hanger: You stopped reading on 1221?

General Crane: Yes, sir, stopped on page 1221. I read this morning 1599 and 1600 as well. Beginning on 1615—

Mr. Hanger: That is four?

Mr. Harris: Yes, sir.

General Crane: Four, yes. No, beginning on 1614, in discussing the currency payments that had been made, this question was asked:

Q. Now, as soon as you got that money—(meaning the currency deposit)—you took it and put it in the bank?

A. No, not all at once.

Q. Not all at once?

A. No.

Q. Did you get it all at once?

A. No, sir.

Q. Where did you keep it, if you didn't deposit it?

A. I kept it down in my office.

Q. How long?

A. Oh, I kept some of it there a couple of months.

Q. How much did you keep there a couple of months?

A. I forget now—fifteen or twenty thousand dollars.

Q. Fifteen or twenty thousand dollars. In your private office here?

A. Yes, sir.

Q. Governor, the regular session of the Legislature convened about June 9th of this year—January 9th, I mean?

A. January 9th.

Q. And adjourned about the 21st day of March?

A. I think that is about correct.

Q. You reconvened the Legislature about April 18th, didn't you?

A. I think that is—

Then he was interrupted by the question:

Q. And they stayed in session the thirty days, until May 17th?

A. Yes.

Q. Governor, your personal account shows here on February 23rd, your deposits—your account with the American National Bank shows a deposit of \$11,000. Was that a part of the \$156,500?

Then Senator Hanger says: "What is the date?"

Mr. Chester Terrell: February 23rd.

Q. Way before the investigation?

A. \$11,000—I don't remember about that.

Q. You don't remember?

A. No, sir.

Q. Don't you remember whether it was a part of the \$156,500?

A. How is that?

Q. Do you remember whether it was a part of the \$156,500?

A. Yes, but I don't remember whether this eleven thousand, now, I think probably—possibly that was a part of it, but I couldn't say for certain about that without referring to my records.

Q. Your records will show?

A. I don't know whether it would or not.

Q. Well, is there any way you could find out whether or not that is a part of the \$156,500, or where you received it, or what it was for?

A. I could tell you all about it, but, as I told you before, I am not going to do it.

Q. Well, I say, if it was not a part of the \$156,500?

A. Oh, I suppose I could, yes.

Q. Well, don't you know whether or not it was part of that? You say that was back on February 23rd?

A. Well, I don't recollect; as I told you, I don't remember about it.

Q. Well, will you look that matter up?

A. Yes, sir.

General Crane: Now, on reconvening, the same question by Mr. Terrell on page 1617:

Q. Governor, did you look up the \$11,000 item?

A. Yes, sir.

Q. And see whether or not that was part of that \$156,000 business?

A. I could not find the exact record of it, but my best information is that it is part of the money.

Q. Is that it is part of the money? That was on February 23rd?

A. Yes, sir.

Q. That was paid in currency just as the other, wasn't it?

A. That was deposited in currency, yes, sir.

Q. That is what I meant.

That was a part of another question on page 1618. Now page 1619:

Q. Now, Governor, isn't it a fact that prior to your administration, and, in fact, during part of your administration the Secretary of State's money—money received by the Secretary of State—was paid into the Treasury monthly?

A. I think it was.

Q. Yes. Isn't it a fact that it was only until a short time ago—in fact, last year's franchises, weren't they the first ever kept out longer than one month?

A. Well, that is my information. I don't know about the records away back.

Q. Who suggested that they be kept out three months—you?

A. I think I suggested the settlements—we were not required by law to make settlements only every ninety days, and Mr. Bartlett also suggested to me the idea of dividing these accounts around between different banks.

Q. Yes. Now, the suggestion of making settlements every ninety days would make that account more valuable than if they settled every thirty days, wouldn't it?

A. Yes, sir.

General Crane: Now, on page 1634, referring to the books, which they had been examining, or the books which had been examined:

Q. Then, you have got a balance in the Governor's account of something over \$5000 there at Temple, or Austin, according to those books?

A. No, I haven't got that at Temple, or Austin.

Q. Where is it?

A. It is in my other account.

Q. Where is your other account?

A. At Temple, and the American National here.

Q. What other account?

A. In my personal account.

Q. Your personal account?

A. Yes, sir.

Q. Then, you have some State funds, approximately \$5000, in your personal account?

A. Yes, sir. Now, there is the great argument of this whole proposition, because I put the money to my hand in the Governor's account, you people are making a great cry about it, when I could have put it in my private account and you would never have known anything about it.

Q. Do you reckon not?

A. No, all you would have known is, I had the money, and that's all. You all are trying to rob one pocket and kept it in the right-hand pocket instead of the left-hand pocket.

Q. No, because you are keeping it in both pockets, because you say now that both—you are running two accounts as Governor, there is over \$5,000.00 of that money in your personal account?

A. No, sir, I don't think there is \$5,000.00 of the King's Highway. We are paying that out every day.

Q. Are you paying that by your personal check?

A. Yes, sir.

Q. Do you have some of that money in your personal account, when your personal account is overdrawn?

A. I don't remember about that, I don't think I did, but that is not State money in any sense of the word.

Q. Isn't that money deposited with you under an Act of the Legislature?

A. No, sir, it is not.

Q. How did you get it?

A. The King's Highway Association, a private corporation, no more connected with the government than your daddy's bank in San Antonio, but supplementing an appropriation made by the Legislature to the credit of the King's Highway.

Q. All right; it has been turned over to you as Governor to spend, hasn't it?

A. Been turned over to me, yes.

Q. Well, it was turned over to you because you were Governor?

A. Well, I expect so, yes.

Q. That is a pretty fair guess, anyway, isn't it, there is no doubt about it, is there?

A. No doubt about it, no, but it is not State money, that's what you are trying to run over this Committee, that this is State money.

Q. I am not trying to run any-

thing over this Committee. How about the Adjutant General's money?

A. That is money collected as the result of the trip to Washington and reported to the last Legislature for their disposition, and they didn't make any disposition of it, and I am still waiting for the Legislature to direct what they want done with that money.

Q. You have that in your private account?

A. Yes, sir. I am ready to pay it any time the Legislature makes any disposition of it.

Q. When was the trip to Washington?

A. That was a couple of years ago, that is the trip that was inquired about at the last investigation.

Q. That was shortly after you were Governor—inaugurated as Governor, wasn't it?

A. No. I think it was about a year after I was inaugurated.

Q. Now, Governor, has that been in your private account ever since?

A. I don't remember whether it has or not.

Q. You deposited it there at the time, did you?

A. Deposited it where?

Q. The amount of money which you say you have for that department, you deposited it to your private account, didn't you?

A. I don't remember just how it was, I think that I did.

Q. What amounts were these, will you please call them out for me? I think you will find them on page 10, or 2, I am not sure which.

A. \$3,050.00.

Q. Just what date was that?

A. March 4, 1916.

Q. All right. What is the other amount?

A. July 14, 1916, \$223.58, and that was reported—

Q. All right, Governor, you say they are in your private account?

A. I say I have got the money ready to pay it any time the Legislature directs.

Q. (Handing witness paper): I will just ask you to look at that account and see if they were not deposited to your account as Governor?

A. Well, they may have been, I don't know.

Q. Well, here is the account?

A. I told you awhile ago, I don't know when they were deposited.

Q. These are the two items are they (referring to account)?

A. That looks like it, appears to be the same items.

Q. Then, after they were deposited—they are no longer in this account now, as it only shows a balance of \$57.95 at this time?

A. Yes, sir.

Q. Now, Governor, when you got ready to draw from the Temple State Bank the balance of the Canyon Normal money, how was it that you were not notified there wasn't enough to pay it, the Canyon City amounts? If that \$5,600 check or charge slip, rather, made against that account on August 23, 1915, when you got ready to close up that amount and to pay the final draft on the Canyon City Normal, how is it that it didn't show a shortage of \$5,600?

A. Because we didn't check on the Temple State Bank for the money, we checked on the American National Bank for \$21,000, the balance of that was paid, and that balance, the Canyon City Normal fund, paid to the State the very day I received it.

Q. I understand that, but when you were notifying that bank up there to send the money belonging to that fund to the American National so you could check out of the American National to pay the Canyon City estimates, didn't the amounts that you told them to send down here show up \$5,600 short?

A. We never notified them anything about it, we just checked on the American National Bank for the amount, in that way, if you will just understand for a minute, the \$5600 was returned to the State.

Q. When?

A. When that \$21,000 check was given; that included it, and all of the State, every nickle and every cent they were to get out of the Canyon City fund.

Q. That was on your personal check, or on your Governor's account?

A. On my Governor's account, on the American National Bank, which was paid.

Q. I understand, and your Canyon City account shows a balance, but you had a part of that Canyon City account at the American National and another part at the Temple Bank, and would check it all out except one item of \$5600, as shown by your check to the American National in favor of the State Treasurer, to meet estimates—didn't you?

A. Yes, sir.

Q. Now, you notified the Temple State Bank how much to send down so as to take up the checks you were drawing on the American National, didn't you?

A. We didn't undertake to ask the Temple State Bank to remit only in round amounts to the American National Bank, get this in your head.

Q. I am trying?

A. The American National Bank and the Temple State Bank were not keeping any account against each other with that fund, we were keeping that in this book.

Q. I understand that.

A. And when we deposited those vouchers in the American National Bank aggregating \$101,607 and some odd cents, they returned to the Treasurer and paid the State every cent and every nickle of the Canyon City fund.

Q. I understand that they paid all the estimates and returned the money, or an equal amount of money to the Treasury?

A. Yes, sir.

Q. Now, the last two amounts you had sent, or at least, one of the amounts you had sent to the Temple State Bank, \$9932.18, as shown by your letter, and as shown by the deposit of April 13th, and an additional amount on the same date was deposited here of \$2500, which I also presume came from that. Now, you would tell the Temple State Bank to send down here \$5000, or \$10,000, or \$9000 to meet the estimates, wouldn't you?

A. Yes, sir.

Q. To the American National?

A. Yes, sir.

Q. Now, when you got to the end of the Canyon City Normal money, and wanted to pay the last item and you phoned them to send the balance of the Canyon City money,—

A. We didn't phone them, that is where you are trying to put something in the record.

Q. How did you notify them to send it down?

A. We didn't ask them anything about it, we just gave a check on the American National Bank and they paid it.

Q. Well, what I want to get at is, how you got the last, say \$21,000, which remained there something over a year, out of the Temple State Bank and into the American Na-

tional, as the statement there shows they sent all the money?

A. They did.

Q. I understand they sent all the money they had, and all that had been deposited there, including \$1297.50, which was deposited at Temple, of the King's Highway money, they sent all that to the American National, but they didn't send the \$5,600 there?

A. They sent all they had.

Q. I understand that, except about \$40, and nobody said—that that \$5,600 was—

A. That identical \$5,600 was sent, but the State got its money back of all the Canyon City money when they last drew for twenty-three thousand some-odd hundred dollars, there was paid—

General Crane: Then he was interrupted by a question by myself:

Q. Governor, you have got me confused there, referring to \$1000—

General Crane: They have got this badly messed, these questions, the only mistakes I have met.

Mr. Hanger: That ought to be \$21,000.

General Crane: I know it, and this ought to be \$101,000 instead of \$1,000.

Q. —leaving out the Heidenheimer bank?

A. At what date?

Q. All told, you had \$100,000 in those three banks?

A. No, I never did have that much money in any three banks.

Q. You did get into your hands the \$100,000?

A. \$101,000.

Q. Now, \$45,000 of that was left up in Bell County—

General Crane: I am not reading this literally, but as it was and ought to have been recorded.

Mr. Hanger: All right.

Q. —was to apply to the payment of that Normal indebtedness, as you have heretofore explained?

A. As I have heretofore explained?

Q. As you have heretofore explained. Now, how could you pay the rest of the entire \$101,000 back with what was left to your account in Temple with the \$60,000 that was deposited in Austin?

A. That is, say, when we paid the \$21,000, that made below \$101,000, and from it that was paid.

Q. I know it, Governor, you only

had \$60,000 in the American National Bank of that Canyon City fund to your Governor's account?

A. I had enough there that they paid all the vouchers.

Q. Well, never mind—then, you know as a banker, and as a man, you could not have paid \$101,000 with \$39,400 and \$60,000, could you?

A. I know they paid every dollar of the Canyon City money.

Q. All right, the next day after they put that fund, the same fund you deposited in your Governor's account, was in the American National Bank, isn't that manifestly true, it must have been done?

A. No, sir.

Q. That money you got from the Adjutant General's office, something about \$3,250, you deposited it to your Governor's account, too, didn't you?

A. Yes, sir.

Q. Now, isn't it possible that money was drawn on to pay this Canyon City account?

A. I don't know about that, if it went into that account, but that in no way affected the total amount, and the prompt payment and full payment of the Canyon City money back to the State.

Q. Exactly. You paid all the Canyon City money?

A. Yes, sir.

Q. But it was \$5,600 short by reason of your Temple transaction, you must supplement that by \$5,600 from some other source down here—didn't you?

A. That is true.

Q. Then from what source did you supplement it?

A. When I paid the \$21,000 draft, that closed the account.

Q. Then, you think you could get out of \$100,000 a \$45,000 deposit in Bell County, \$60,000 deposit in Travis County, by mistake or otherwise misapplied, \$5,600 to your personal affairs up there, which would leave you only \$49,500—I mean \$39,400, then, with that that was left and the \$60,000 that was down here, you could pay \$100,000?

A. That is rather a long question, but I can say to you, first, I paid every dollar of the State money.

Q. What, the Canyon City money?

A. Yes, sir.

Q. You admit you didn't pay the

Adjutant General's money into the Treasury?

A. I have got it to pay it any time, I could have it in my pocket, or I could have it in my desk. That money is in my hands, I make no denials of that. I reported it to the Legislature.

Q. I understand the situation, I understand what I did not understand before.

General Crane: Now, Mr. Terrell begins again:

Q. Now, Governor, you placed into your account at Temple of the Canyon City money, \$1297.50, and of the King's Highway Association you placed down here at the American National of the Canyon City Normal money, except \$5000, which you placed in the Heidenheimer Bank, which you afterwards moved here, didn't you?

A. Yes, sir.

Q. And in addition to that you placed a certain balance, amounting to over \$5000—

A. Yes, sir.

Q. —including the \$3000, the \$2000, and \$30.61 items. Now, in the payment of the Canyon City money by your checks to the State Treasury, haven't you used out of that fund the \$5000 placed there for other purposes? In other words, the \$3000 item, the \$2000 item, and the \$30.61 item, a part \$1297.51 item. Isn't your account as Governor short at the bank, according to the book, isn't it short now more than \$5000—your Governor's account?

A. No, sir, I have that money yet.

Q. I am not talking about personal, Governor, I am talking about your accounts as Governor?

A. I am talking about personal. You tried to make them believe here that I stole \$5000, I have got the money, the King's Highway money, the National Guard money, and you are trying to identify, that some of the money you are trying to identify, money in a bank, and say it was the same money applied to the same purposes, and you can't do that, and nobody else can do that.

Q. I am not trying to do that. There was a charge against your account at Temple, a charge slip, charged to your personal account and paid by Mr. Hughes, I believe, of \$5600?

A. Yes, sir.

Q. That came out of the Governor's account?

A. Yes, sir.

Q. Has that money ever been replaced in the Governor's account?

A. Yes, sir, it was repaid down here.

Q. To the American National?

A. Has that money been replaced in the Governor's account?

Q. Yes, sir?

A. Not the identical money, of course not.

Q. Has a similar amount been placed in the Governor's account?

A. The Governor's account is in the Governor's possession.

Q. Here is one Governor's account at Temple?

A. I have got the money.

Q. I am asking you, has it been paid into your account as Governor, been repaid into that at all? I am not asking you whether it is in your personal account and whether you are able to pay. It has never been paid back into any of your accounts which you run as Governor?

A. The money has been paid back to the State, all except the money which I have in my hands, that is all I can tell you about it.

Q. In other words, that money has been in your personal possession, or in your personal account, as you call it, since August 21, 1915?

A. Since the date as shown by the record there in which it came into my possession.

Q. Yes, through the payment of that note, by your charge slip?

A. How is that?

Q. I say, since the payment of that note of \$5600 by your charge slip?

A. Has been in my possession since that time.

Q. Has been in your personal possession?

A. Yes, sir.

Q. Well, now, where has it been, been in the bank?

A. Been in the bank, yes, sir.

Q. Or did you just owe it to the State?

A. I have got it and can produce it at any time.

Q. I understand, but where has it been all this time, just simply you owe it to the State, is that it?

A. Simply I owe it and was responsible to the State.

General Crane: That ends on page 1644.

Mr. Hanger: What page is that?

General Crane: 1644. I think I have read pretty continuously, if I have skipped any page I don't remember it.

General Crane: We offer in the same connection, Senator, this, which we desire to read into the record, which is a transcript of his account—the Governor's account, as Governor, in the American National Bank at Austin—simply for the purpose of showing that the \$5,600 item was never put into that "Governor's account."

Mr. Hanger: Have you compared that with the original?

Mr. Harris: No, sir, I have not. It was turned over to be copied into the record. If it is not correct the original can be used.

General Crane: I have not compared it.

Mr. Hanger: All right, read it, and if there is any—

General Crane: I don't care about reading it, all I want to show is that there was no such item in there after the 23rd of August, 1916.

Mr. Hanger: All right.

General Crane: Nor before, as to that matter. (The following is a transcript of the account offered in evidence and above referred to):

Exhibit 62 H L G

James E. Ferguson, Governor.

In Account with THE AMERICAN NATIONAL BANK, Austin, Texas,

Old Balance	Date	Checks in Detail	Balance brt. Forward	Date	Deposits	Date	New Balance
				Jan. 21	\$10,000.00		
				Jan. 22	10,266.67		
	Jan. 25	\$ 1,000.00		Jan. 27	10,000.00		
	Jan. 28	200.00		Feb. 1	1,441.56		
				Feb. 8	2,500.00		\$33,008.23
\$33,008.23	Feb. 10	165.00					
	Feb. 11	125.50					
	Feb. 12	32.75					
	Feb. 13	388.03	\$ 1,449.06				
	Feb. 15	34.85					
	Feb. 16	24.50		Feb. 16			30,788.49
30,788.49	Mar. 4			Mar. 4	2,500.00		
				Mar. 26	780.68		
	Mar. 27	2.50					
	April 10			Apr. 10	4,846.45		
	May 5	6,000.00					
	June 11	10,000.00		May 12	5,000.00		
	July 7			July 7	10,000.00		
	July 8	10,000.00					
	Aug. 10	3,507.35	10,000.00	Aug. 10			14,405.77
14,405.77	Aug. 11			Aug. 11	5,000.00		
				Aug. 17	3,000.00		
				Aug. 17	1,500.00		
				Aug. 19	1,500.00		
				Aug. 21	2,505.88		
				Aug. 23	500.00		
				Aug. 28	500.25		
				Aug. 28	1,453.15		
				Aug. 31	12.70		29,877.75
	Aug. 31	500.00					
29,877.75	Sept. 2	500.00					
	Sept. 3	262.50		Sept. 4	66.50		
	Sept. 4			Sept. 4	356.20		
	Sept. 4	350.00					
	Sept. 7	200.00					
	Sept. 8	200.00		Sept. 8	20.60		
				Sept. 8	37.00		
	Sept. 15	500.00					
	Sept. 16	200.00		Sept. 16	3.00		
	Sept. 17	225.00		Sept. 17			27,923.55
	Oct. 4	10,000.00					
	Oct. 8			Oct. 8	1,000.00		
	Oct. 28	500.00					
	Oct. 30	500.00					12,923.55
12,923.55	Nov. 4	5,000.00					
	Nov. 21			Nov. 21	702.50		
	1916						
	Jan. 8	8,000.00					
	Jan. 17	37.50	\$4.25 \$25.00				
	Jan. 20	7.50	7.50 7.50				
	Jan. 20	7.50					

Exhibit 62 H L G—Continued.

James E. Ferguson, Governor.

In Account with THE AMERICAN NATIONAL BANK, Austin, Texas,

Old Balance	Date	Checks in Detail	Balance brt. Forward	Date	Deposits	Date	New Balance
	Jan. 21	7.50					
	Jan. 28	7.50	7.50	5.75			
	Feb. 3	6,200.00		Feb. 3	6,000.00		
	Feb. 24	15.00					
	Mar. 3	7.50	7.50				
	Mar. 4	4,000.00		Mar. 4	3,050.00		
	Mar. 6	75.00					
	Mar. 7			Mar. 7	3,000.00		
	Mar. 14	15.00					
	Mar. 15	15.00	15.00				
	Mar. 18	15.00					
	April			Apr. 1	195.00		
				Apr. 1	95.00		
	April 6	11.90		Apr. 13	9,932.18		
	April 13			Apr. 13	2,500.00		19,896.33
19,896.33	April 27	21,743.83		Apr. 27		April 27	1,847.50 O D
1,847.50	June 11			June 11	200.00	June 11	1,647.50 O D
1,647.50	July 10	16.45		July 10		July 10	1,663.95 O D
1,663.95	July 15			July 15	223.58	July 15	1,440.37 O D
1,440.37	July 25	7.50					
	July 28	157.54		July 28		July 28	1,605.41 O D
1,605.41	July 31	32.95		July 31		July 31	1,638.36 O D
1,638.36	Aug. 3			Aug. 3	1,850.00		211.64
211.64	Aug. 16	107.84					
	Oct. 2	51.95					
	Oct. 13	21.35					
	Nov. 1	.75					
	Nov. 14	33.01		Nov. 14	30.60		
	Nov. 29	57.05		Nov. 29	57.05		
				1917			
				Feb. 14	30.61		
				Apr. 23	1,100.00		1,157.95
	April 28			Apr. 28	25.00		
	May 15	1,125.00		May 15			57.95

Balance Aug. 19, 1917 \$57.95

General Crane: Now, the next is this—

Mr. Hanger: What page is that?

General Crane: 1650.

Mr. Hanger: Is that still Volume 4?

General Crane: Yes, haven't changed volumes.

Q. Just one more minute, I want to ask you one or more questions as to dates. We just want to fix some dates where some amounts, Governor, were deposited in the Houston National Exchange Bank about April 18th, was a part of the \$156,500, wasn't that, of the \$25,000?

A. I don't catch your question.

Q. I say, the deposit on or about April 13th to the credit of the Houston National Exchange Bank with the American National Bank was a part of the \$156,000, wasn't it?

A. You mean the \$25,000 deposit?

Q. Yes, sir.

A. To the best of my recollection it was, I am not sure about it.

Q. The deposit of \$25,000 on the date before to the credit of yourself in the American National Bank was a part of the same amount, wasn't it?

A. To the best of my recollection it was.

Q. You deposited that on April 25th, the \$15,000, and that was a part of the same amount, wasn't it?

A. To the best of my recollection.

Q. That's all.

General Crane: Then, at this point without reading it all, unless you want it, the Chairman decided that the Governor should answer the question as to where the money came from. Then a member appealed from the ruling of the Chair, the appeal was seconded, arguments were made by members of the House, covering a considerable portion, and on pages 1716, 1717, 1718, 1719, 1720 the vote is recorded and the result is announced sustaining the Chair. And on page 1722 the question was then put to the Governor again, he having resumed the stand:

Q. Governor, after the ruling of the House on last evening, and the ruling of the Chair, do you still decline to answer the question propounded?

A. In adhering to the position originally taken by myself by refusing to "adhere" to the ruling of the Chair, I want it distinctly understood that it is not meant as any disrespect to any member of the House. I do not feel hurt at any member who voted to sustain the Chair yesterday, that was his duty as he saw it; I understand it is a question of law as to whether I have that right or not, I still think I have that right, and in justice to myself, and for the reason heretofore stated, I must decline to further answer the question along that line.

Q. Now, in order that the record may contain the matter to which declination relates, I will propound to you the following questions:

Q. Do you decline to state the dates when you received the several amounts of money mentioned?

A. I do.

Q. Do you decline to state the amounts received on each date from each person?

A. I do.

Q. And do you decline to state the names of the persons from whom each of these payments was received?

A. I do.

Q. And do you decline to state the securities given by you for these several sums of money?

A. I do.

Q. And do you decline to state the dates on which these several obligations matured?

A. I do.

Mr. Hanger: Let me see here about one word—that ought to be "conform" instead of "adhere." They put it "adhere," it ought to be "conform."

General Crane: I suppose so. That is all right, I have no objection.

Mr. Hanger: It should read "in refusing to conform to the ruling of the Chair" instead of "refusing to adhere to the ruling of the Chair."

General Crane: All right, it may read that way.

Mr. Hanger: I am sure that was the language.

General Crane: That is the meaning of it.

Mr. Hanger: Yes.

General Crane: Now, counsel for the House declined to ask that any penalty be inflicted on the Governor, and the matter—that part of the question ended there.

Mr. Harris: I think that is all, General, in that record.

General Crane: That is all in this?

Mr. Harris: You began to introduce some other witnesses, and the Senator introduced some letters at this stage.

General Crane: Yes; I believe that is all.

Senator Bailey: Mr. President.

The Chair: The Senator from DeWitt.

Senator Bailey: I would like to send up a question to be asked.

The Chair: Send up the question.

Senator Dayton: Mr. President.

The Chair: The Senator from Cooke.

Senator Dayton: I have some questions I would like to ask the General.

The Chair: All right.

General Crane: Am I the witness?

The Chair: The gentlemen say they want to propound some questions to counsel.

General Crane: All right.

The Chair: This question by Dayton:

"Does the evidence taken before the House and the House Committee state whether or not the amount

Governor Ferguson secured from the Temple State Bank exceeds the amount any one person is allowed, under the law, to borrow from said bank, or whether or not it was the combined amounts borrowed from said bank by Governor Ferguson, the firms and corporations that he was interested in, or a stockholder in, that exceeded the amount the law allows any one person to borrow from said bank?"

General Crane: I don't know whether it is hardly proper for me to answer that or not. It is a matter of argument. I think it is conceded that it was both ways, his personal notes and accounts exceeded the thirty per cent of capital stock of the bank at various times, but the amount of his account and of the Bell-Bosque farm, which is a corporation, all of the stock of which he and his wife own, except enough to qualify some directors, amounted to \$155,000, and counting Mrs. Ferguson's, it amounted at one time to \$170,000. The capital stock of the bank was only \$125,000. You know thirty per cent of that is only \$37,500, but that is a matter of calculation that anybody can make.

Mr. Harris: The evidence introduced shows there was an overdraft of over \$34,000.

General Crane: Yes, there was an overdraft of over \$34,000, which was—

Mr. Hanger (interrupting): In view of the question asked, there ought to be read into the record at this time, however, or we can do that later, an explanation by the witness which occurs right after a part of that read by General Crane, about how that money came to be advanced and the circumstances under which it was done.

General Crane: Yes.

Mr. Harris: We see no objection to that.

The Chair: Here is another question by Senator Dayton. If there are any objections to those explanations they may be made. I am sure that a member of the Court propounding a question will not urge it if any counsel feels like objecting.

Senator Dayton: Oh, no.

The Chair (reading second question submitted by Senator Dayton): "The \$5600 item referred to in the testimony, was it paid from the Governor's fund in the Temple State

Bank or from the Governor's private fund? And was this \$5600 item ever in the Governor's account, as Governor, in American National Bank at Austin? When and where did the \$5600 item get back to the credit of the State, if ever?"

General Crane: Now, that is a matter of argument.

Mr. Hanger: And it takes more than the testimony here read to explain that, even from the testimony in the House.

General Crane: Yes.

Mr. Hanger: We ought to state that.

General Crane: That is a matter of argument. I am willing to answer it if there is no objection.

Mr. Hanger: Well, we think that all of the testimony here should be read.

The Chair: It would seem to be a matter of argument—if there is objection—on the facts already adduced and which will be adduced. Here is a question by Senator Bailey:

"Was any effort made by you or any other of counsel for the prosecution, or any member of the House, by resolution, motion or otherwise, to punish Honorable J. E. Ferguson for contempt of the House in refusing to disclose the source of the \$156,000 loan and the circumstances attending it? If not, why not?"

General Crane: Well, now, I have no objection to answering that; I don't know whether it is quite proper or not, but if counsel have no objection—

Senator Bee: Mr. President,

The Chair: The Senator from Bexar.

Senator Bee: I have no objection to his answering, but I would like to suggest that this line of questioning hardly ought to be propounded to counsel.

Senator Bailey: I simply wanted to know, Mr. President, as a Senator, why the House of Representatives, if a man is in contempt of that body, don't punish him there, without shifting the burden on us.

Senator Bee: I think that ought to be asked the members of the House.

General Crane: I can answer that so far as I am concerned.

The Chair: Is there any objection to the answer being made?

General Crane: So far as I am

concerned there is none; this was my proposition.

Mr. Hanger: We think it is proper for him to answer whether he did or not, but the motives, we think, would hardly be proper.

Senator Bailey: There were two questions, the first was what was done.

General Crane: I have read into the record that it was not done—that we did not ask to have him punished.

Senator Page: Mr. President, I hardly think that the motives which actuated counsel are admissible.

Mr. Harris: We have no objection—

Senator Page: I understand you have no objection. Most lawyers in a law-suit, upon being asked their motives, would have no objection in stating them, but it doesn't seem to me the question ought to be answered, and I think General Crane realizes that it ought not.

Senator Bailey: I suppose counsel would say he didn't think, probably, it was advisable.

General Crane: How is that?

Senator Bailey: I say I suppose counsel would say he didn't think it advisable.

Senator Lattimore: Your Honor, I don't think the Senator from DeWitt ought to—

Senator Page: Mr. President.

The Chair: The Senator from Bastrop.

Senator Page: If the Senator from DeWitt will yield—I think that question would more properly be addressed to the Board of Managers of the House, probably, why counsel did not press the matter. Of course, the House of Representatives had the right to take it out of his hands.

General Crane: I think on that point they were taking my advice.

Senator Page: Yes, sir, I have no doubt about that.

General Crane: I have no objection to answering the question; in fact, I would be very glad to state it, in fact; it does not reflect on anybody or any person.

Senator Page: I hardly think—

The Chair: Is there any objection?

Senator Page: I don't object; I just don't think it is a proper question in a court house, and this is a court house, in a sense.

The Chair: Does the Senator from Bastrop object?

Senator Page: I respectfully suggest to the Senator from DeWitt, without objecting, that I hardly think the question is proper or that the motives of counsel would be admissible.

Senator Bailey: If he knows—if counsel doesn't object to answering—

General Crane: No, I don't object.

Senator Bailey: I would really like to know why the House of Representatives shirked what I consider to be its duty, and put it over here on us in the Senate.

Senator Page: I will state this, if the Senator from DeWitt insists, I shall not object.

Senator Parr: I object.

General Crane: I will state very frankly why—

Senator Parr: I don't believe they have any right to come over here and ask us—

The Chair: That is not in order. The Chair would hold that the question and the discussion of it are not in order, if anybody makes the point.

Senator Parr: Well, I object; I make the point.

The Chair: The point of order is sustained.

General Crane: All right, I will tell you privately, Senator.

Senator Bailey: No, I don't want any private information.

General Crane: Well, I will give it all to the Senate. There is nothing over there concealed by either the House or myself on that point. We are perfectly willing to print it in all the papers of the State, so far as that goes, and if we have done wrong I am perfectly willing to shoulder all the blame because I advised that course.

Senator Bailey: Then you say—

(The Chair raps for order.)

Senator Bailey: I am going to appeal from the ruling of the Chair. I do appeal from the ruling of the Chair.

The Chair: The gentleman from DeWitt appeals from the ruling of the Chair.

Senator Bailey: Let's take a vote on it.

The Chair: Let the Senator from Bexar occupy the Chair.

Senator Lattimore: This would

hardly be an appeal, Mr. Chairman, under the rules.

Senator Bailey: I understand an appeal may be prosecuted—

Senator Page: As I understand, the question has not been put up to the Senate.

Senator Bailey: I ask why—

The Chair: The question is not debatable now, the Chair will state to the Senator from DeWitt.

Senator Bailey: Well, the appeal is.

The Chair: The point is made that it is not an appeal, but that the question, under the rules, the Chair having decided that it is inadmissible—

Senator Bailey: I would like to ask the Chair under which one of the rules of procedure the Chair holds that the answer to the question is not admissible?

The Chair: Well, the Chair holds that counsel is not a witness—

Senator Bailey: The counsel is willing to tell it.

The Chair: Counsel has not been sworn as a witness, is not on the witness stand, and the question is not relevant to any inquiry, in the opinion of the Chair, that is pending before this body.

Senator Bailey: I am addressing the Senate, not the Court. There is a question made, if the Court please, there is a charge here in which the Governor is charged with being in contempt of the House and we are going to be called upon to vote on the charge. Now, then, I want to know why the House does not punish him for contempt of its own body, but sends the proceedings over here for us to punish him?

Senator Lattimore: Mr. President.

The Chair: The Senator from Tarrant.

Senator Lattimore: I am sure that the distinguished Senator from DeWitt is well aware of the fact that one of the higher courts of this State has held that each of these bodies of the Legislature, each of the two ends of the Legislature, is without power to imprison or to fine for contempt.

Senator Bailey: I don't think that's so. I think they can imprison for three days and impose a fine not exceeding a hundred dollars. I think if you will read the

Constitution and statutes you will agree with me.

Senator Lattimore: I have read them.

Senator Page: Senator, do you object to having all the language read?

Senator Bailey: No, I want him to answer—

The Chair: Does the Senator from Duval object?

Senator Parr: I object. I want to say this, Mr. President—if the Governor—

Senator Hudspeth: Does the gentleman yield to a question?

Senator Parr: I want to say this, if the Governor refused to answer over there and they thought he was in contempt and they didn't have nerve enough to punish him, the question is not up to us.

The Chair: The question is not properly debatable except in executive session, and until we retire into executive session this discussion is not proper. At the present stage the Chair respectfully submits to the members of the Court, that the question is not debatable.

Senator McNealus: Point of order, Mr. President.

The Chair: State the point of order.

Senator McNealus: I believe the rules that the two Houses operate on contain the provision that neither House shall reflect upon the conduct of the other, and I appeal to that rule. The Senate has no right to reflect upon the action of the House, and the House has no right to reflect upon the action of the Senate.

The Chair: The Senator from DeWitt makes an appeal from the decision of the Chair, and the Senator from Bexar—it is hardly the same question that is covered by rule 14 and therefore the Presiding Officer will ask the Senator from Bexar to take the Chair. It is a ruling on evidence, and in the opinion of the Chair counsel is not on the witness stand and so it is hardly a ruling—

Senator McNealus: Mr. President, I rise to the point of order that neither House has the right to reflect on the conduct of the other.

The Chair: An appeal is pending now, Senator.

Senator McNealus: A point of order is always in order.

The Chair: And the discussion has ceased for the present.

(At this juncture Senator Bee, at the request of President Pro Tempore Dean, assumed the Chair).

Senator Hudspeth: Mr. President, I want to ask the Senator from DeWitt a question. Does he yield?

The Chair (Senator Bee): Does the Senator from DeWitt yield to the Senator from El Paso?

Senator Bailey: I yield.

Senator Hudspeth: What is your point, Senator?

Senator Bailey: I ask that the secretary read the question again, Mr. President.

Secretary of the Senate (reading): "Was any effort made by you or any other of counsel for the prosecution or any member of the House, by resolution, motion or otherwise, to punish Honorable J. E. Ferguson for contempt of the House in refusing to disclose the source of the \$156,500 loan?"

Senator Bailey: Now, the first question has been answered. It is the second question that is objected to.

Secretary of the Senate (continuing to read): "and the circumstances attending it? If not, why not?"

Senator Hudspeth: You mean, Senator, that the first question has been answered?

Senator Bailey: He said, no, they did not.

The Chair: Gentlemen (rapping for order).

Senator Bailey: Now, I ask in the second question, if not, why not? If the witness says he is willing to tell it, or counsel is willing to tell it—

Senator Hudspeth: But are you pronouncing that question to General Crane or the House members?

Senator Bailey: Yes, sir, General Crane.

Senator Hudspeth: I don't understand that he is a witness here.

Senator Bailey: Oh, but he says he is willing to give us that information.

Senator Gibson: Mr. President, does the Senator from DeWitt yield?

The Chair: Does the Senator from DeWitt yield to the Senator from Fannin?

Senator Bailey: Yes, sir.

Senator Gibson: I just wish to say that if General Crane had read a little bit further that the question would have been answered.

Senator Bailey: I will say to the gentleman from Fannin that General Crane is not claiming his privilege as counsel. He is willing to state why—

Senator McNealus: Mr. President, an appeal from a ruling of the Chair is not debatable.

The Chair: I will state that under the rules the point is not debatable.

Senator Bailey: If the Senate does not want to know why we are called upon to punish for contempt, if the House won't do it, then let the Senate vote down this appeal. I am going to vote against the Chair, —I have a right to say that much about the appeal.

The Chair: Yes, sir. As I understand, the first part of the question of the Senator from DeWitt, as to whether there were such resolutions passed, has been answered.

Senator Hudspeth: What resolutions, Mr. President?

The Chair: A resolution demanding that the Governor answer where he got the money from. Now, if the Senator from El Paso will permit,—the question now before the Senate is if they did not proceed to punish him, why not? Now, objection is made to that question by the Senator from Duval; the Chair sustained the objection; the question now before the Senate is an appeal from the decision of the Chair sustaining the objection of the Senator from Duval. The question is shall the Chair be sustained. All in favor of sustaining the Chair—

Senator Page: Mr. President.

The Chair: The Senator from Bastrop.

Senator Page: I understand an appeal is debatable and I would like to be heard on the appeal.

The Chair: The Senator from Walker, is it debatable? I am not familiar with that rule.

Senator Hudspeth: Certainly. I have seen the Speaker get down out of the chair and debate the proposition before the House.

The Chair: I will state to the gentleman from Bastrop that I am not familiar with the rule on this point. I understand from the Senator from Walker that there is nothing in the rule, so therefore I will hold that the question is debatable.

Senator Page: I desire then to be heard on the question. I originally having raised the objection but hav-

ing withdrawn it, but I do not care to object. The first objection to the testimony, Mr. President and Senators, is that the Senate has no right to question by its action here any action of the House of Representatives. The House of Representatives is supreme within itself; it has a right to punish a man for contempt, under these circumstances, in my opinion, or it has the right not to do so; and the policy which may have guided the House in refusing to punish a man for contempt is certainly not a subject of inquiry here. You might as well, Mr. President, in the court house you might—General Crane might be defending me for murder, for instance. For reasons best known to himself he might decline to put me on the witness stand. Counsel for the State might wish to put General Crane on the stand and swear the General and say, "General Crane, what actuated you in not putting the defendant on the stand?" In other words, General Crane is representing the Board of Managers in this case. In the House he was prosecuting this inquiry with a view to presenting articles of impeachment. His conclusion, his motives—what motives actuated him certainly is not evidence here. Why, if we tried to fathom the motives of a lawyer in trying a case, with all due respect to the Senator from DeWitt, there would be no end to it. The first proposition is we have no right to question the motives of the House of Representatives in punishing or not punishing a man for contempt. The second proposition is that the counsel for the Board of Managers at this time has not been sworn as a witness and he does not propose to testify to any facts. Witnesses only testify to facts. General Crane can not get on the stand and not being sworn as a witness and testify why he did not move the House that the Governor be declared in contempt. That is the witness's own conclusion as to the best procedure in this case; that is no fact in the case. What may you prove in a competent jurisdiction by a witness? You may prove by him; certainly first he must be sworn, that his testimony be correct, and in the next place when you attempt to prove anything you must prove facts by him, and it is well established that you cannot prove

conclusions. You cannot prove by General Crane—he probably holds, and as stated, the reason he did not do it was because most likely he thought it was not advisable, and that is doubtless what he would answer as being his explanation; but there is no end to which General Crane might not go in giving his explanation, in all fairness.

Senator Bailey: Does the Senator yield?

The Chair: Just a minute. Does the Senator from Bastrop yield to the Senator from DeWitt?

Senator Page: Always.

Senator Bailey: Didn't you understand from the outset of my remarks that I stated if General Crane representing the prosecution pending in the House of Representatives, advised the House of Representatives as the chief counsel for the investigation, and objected to stating what the policy of himself and the House was, I would not press it. But he is waiving that—

Senator Page: Certainly.

Senator Bailey: And is willing to tell us now why, why he comes over here and asks us to do over here what they were not willing to do over there.

Senator Page: Certainly, Senator, and if I was in General Crane's place I would very gracefully yield any privilege I might have and be willing to answer your question; and in answering your question—I put it illegitimately, I don't mean it that way—but I might do illegitimately what I might not do legitimately; in other words, General Crane may be before this Senate in making an argument and he may state to the Senate, "I understand that one of the articles of impeachment is based on the fact that the Governor did not answer these questions—"

Senator Bailey: Certainly, that is the reason I asked the question.

The Chair: Does the Senator from Bastrop yield to the Senator from DeWitt?

Senator Page: I believe he has finished. But when General Crane comes to make his argument, it may be then that General Crane might be permitted, and would be permitted, to state why it was he did not advise the House that the Governor be held in contempt; he has his reasons, and he may state them in the proper way. But I don't think, Senator

from DeWitt, and with all due deference to his being an older lawyer than myself, and probably one of larger experience, I submit that the testimony of counsel not having been sworn, why he did not pursue any particular line of conduct—why, in a civil suit you might put counsel on the stand and he might be willing to answer as to his motives in pursuing a particular course, but the Court on the bench might hold that although he might be ever so willing, it is not admissible. I respectfully submit that the Chair should be sustained in this matter, as I understand the testimony is inadmissible.

Senator Lattimore: Mr. President.

The Chair: The Senator from Tarrant.

Senator Lattimore: This brief addition, Mr. President, to what has just been said by the Senator from Bastrop.

Senator Bailey: A little louder.

Senator Lattimore: There must be a legal question addressed to a legal witness. There is no witness before this Court; in fact, I thought the point of order which the Senator from Dallas started to make was well taken against this, and that it need not take the form of a regular objection to testimony, for General Crane was not a witness, and of course could not be in the attitude of giving testimony in this case. This further, if he were a witness and if this were a legal question, the answer to it in this stage of the proceedings would be absolutely immaterial and the Chair should be sustained for that further additional reason. The question as to the motives of the House in shirking to punish the Respondent when a witness before them, for refusing to answer a question, is of absolutely no weight here, sheds no light, gives no additional evidence to any issue before us, and for the additional reason that there is no legal question addressed to any legal witness here and the matter sought to be brought out, if there were a legal witness, would be wholly immaterial.

Senator McNealus: Mr. President.

The Chair: The Senator from Dallas.

Senator McNealus: Mr. President, I contended a moment ago

that this ruling is not permissible. The Senate rules are silent on it, but the House rules are not, and we have adopted joint rules to govern these two bodies. The House has a rule and the Senate has not, but the joint rules have been adopted. I am speaking of Section 7, page 78 of the Legislative Manual (reading): "It shall only require a majority of the House to overrule the decision of the Speaker; and pending an appeal no motion shall be in order except to adjourn, to lay on the table, for the previous question and the call of the House." I demanded a call of the House a moment ago on the ground that we had no right to debate an appeal from a ruling of the Chair, and I insist that the House rules apply. I contend that all this debate is irregular because the call of the House is the only motion that can be entertained at this time, because that is the only motion that has been made touching this appeal, and it is the only motion made in regard to the appeal.

The Chair: Are you ready for the question?

Senator Hudspeth and others: Question—question.

The Chair: I understand the question is, shall the Chair be sustained?

Senator Lattimore: Mr. President, I think, as a Court, the question is, shall the evidence be admitted? because the rule—

Senator Dean: It was not the evidence—that was not the theory on which it was put on and appealed from. The Chair did not regard it as evidence, Mr. Senator, because there was no witness on the stand.

The Chair: I will state to the Senator from Tarrant that the understanding is, the question is, shall the Chair be sustained. In sustaining the objection of the Senator from Duval to the question propounded? All in favor of sustaining the position of the Chair will vote "Aye," all opposed will vote "No." The Secretary will call the roll.

(Thereupon the Secretary of the Senate called the roll, as follows:)

Yeas—22.

Rec.	Decherd.
Buchanan of Bell.	Floyd.
Buchanan of Scurry.	Gibson.
Collins.	Henderson.
Dayton.	Hudspeth.

Johnson of Hall. Parr.
 Johnston of Harris. Robbins.
 Lattimore. Smith.
 McCollum. Strickland.
 McNealus. Westbrook.
 Page. Woodward.

Nays—4.

Alderdice. Clark.
 Bailey. Hall.

Present—Not Voting.

Dean.

Absent.

Caldwell. Hopkins.
 Harley. Sulter.

The Secretary of the Senate: 22 ayes, 4 noes, one present and not voting.

The Chair: There being 22 ayes, 4 noes, and one present and not voting, the ruling of the Chair is sustained, and the testimony will not be admitted.

(Thereupon W. L. Dean, President Pro Tempore, resumed the chair.)

The Chair: All right, gentlemen, proceed.

Mr. Harris: We introduce a certificate of the Secretary of the Senate with reference to the rejection of Mr. C. W. Woodman as Commissioner of Labor: (Reads)

Senate Chamber,
 Thirty-fifth Legislature,
 Austin, February 10, 1917.

Hon. James E. Ferguson, Governor of Texas, Austin, Texas.

Your Excellency: I am directed by the Senate to inform you that the Senate advises, consents to and confirms, in executive session, the following appointments made by you and as indicated to the Senate in your communications of January 17 and January 27, 1917:

The Senate has rejected the appointment of Hon. C. W. Woodman for the position of Commissioner of Labor Statistics.

I have the honor to remain,

Yours very respectfully,

John D. McCall,
 Secretary of the Senate.

Mr. Harris: Then the certificate of the Secretary of the Senate to the appointment of Frank Swor (reads):

Senate Chamber,
 Thirty-fifth Legislature,
 First Called Session.
 May 11, 1917.

Hon. James E. Ferguson, Governor of Texas.

Your Excellency: Under date of May 4, 1917, you submitted, for the consideration of the Senate, a list of appointments. The Senate has, today, in executive session, considered the entire list and does advise, consent to and confirm the following appointments:

Hon. Frank Swor of Tarrant County, to be Labor Commissioner of the State of Texas.

Very respectfully,

John D. McCall,
 Secretary of the Senate.

Mr. Harris: Mr. Sergeant-at-Arms, bring Mr. Harding from the Comptroller's office. We want to prove that Mr. Woodman continued to act as Labor Commissioner until August 18th, I believe it was.

General Crane: While we are waiting, there is one more item. We offer from the printed record, page 254, it is the Governor's examination before the Committee of the House, beginning on page 253, Senator—it doesn't make sense otherwise.

Mr. Hanger: Very well.

General Crane: Discussing the chicken salad item, groceries, etc.

Q. I said up to date all the decisions had been against you.

A. I think so, if you want to be technical about it.

Q. I do not care about being technical; I recognize the right for the motion for rehearing to be presented. Now, I want to call your attention to this section of the Constitution and see what your viewpoint is on that: "He (meaning the Governor) shall at stated times receive as compensation for his services an annual salary of \$4000 and no more; he shall have the use and occupation of the Governor's Mansion, fixtures and furniture." Question: How do you reconcile that language with the purchase of groceries or of feed and the other kinds of material that are in controversy in this case? Answer: "It says the use and occupancy. I do not suppose that anybody thought the Governor should go over there and stand and exist in space in the middle of a fourteen or twenty-foot

room. That use and occupancy would mean such use and occupancy as a Governor in keeping with the dignity of his station would contemplate using. The same way as the Constitution provides that the salary of a President of the United States shall be \$75,000, which shall not be increased or diminished during the term for which he is elected."

Now, I am reading only a part of that, because there is a statement there that afterwards developed—I am reading down to here, Senator; I am leaving out this, because I don't think that is correct.

Mr. Hanger: All right.

General Crane: "Question: Without accepting your view of the congressional precedent that far, if a precedent is all that is needed, you can find precedent to almost any conclusion. I am asking you as a lawyer and as a man who understands the English language, that supposing these words were in a contract: that you hire a man as cashier of a bank and you tell him that he shall be paid \$4,000 and no more per year and shall have the use and occupation of a certain house that belongs to the bank, would you construe that, as a legal proposition, that he was entitled to buy his groceries and support his family at the expense of the bank? Answer: \$4,000 and no more salary means no more salary, but it would not preclude the bank from furnishing him an automobile at its own expense to take him to and from his work, and it would not prevent the bank from giving him anything they wanted to give him. That is my construction of the law, if you are going to make me swear to what the law is. Question: I am trying to get your viewpoint. Answer: Salary is something to be used by a person over which he would have domination to do as he pleased with it, to throw it in the creek if he wants to.

Q. Then, do you say that the words that he shall have the use of the Mansion, its furniture and fixtures means that he shall have the use of groceries and feed and all that? Is that your construction of it? Answer: That connected with a legislative enactment would not preclude that fact. Question: You, of course, recognize the rule that a legislative enactment must be con-

trolled by the Constitution, and if it is in conflict with it, that the legislative act is utterly void? Answer: I understand that, and as I told the Committee, whenever the Supreme Court says that that construction is wrong, I will bow to it as quick as you will or anybody else. Question: Taking up the history of this further, didn't the Attorney General advise that you didn't have authority to do this? Answer: The Attorney General advised that you could not buy groceries; he nor any of the courts have not ruled that you can't hire labor. Question: The District Judge so ruled and also the Court of Appeals, at San Antonio, also ruled on that question, but that did not alter your course. You must have had pretty firm conviction as against all those courts.

A. Absolutely, I will be frank with you, I think the courts are all wrong.

Senator Hudspeth: General, are you reading from the Committee of the Whole, or the Committee in February and March?

General Crane: The Committee in February and March—the Special Committee.

Mr. Hanger: What page did you end on?

General Crane: I ended on page 254—began on 253.

The Chair: The witness you sent for from the Comptroller's office is here. Do you want to use Mr. DuBose?

Mr. Harris: Yes, sir, to identify some papers.

Thereupon the proponents recalled

CLARENCE DUBOSE

who had been previously sworn and had previously testified, and who now testified as follows:

Direct Examination

By Mr. Harris.

Q. Did you report a speech by the Governor before the House on March 3rd while he was replying to the Davis resolution when it was introduced?

A. Yes, sir.

A Senator: Louder!

Mr. Harris: I asked him if he reported a speech of the Governor on March 3rd in response to the Davis resolution?

General Crane: March 3rd of this year.

Q. Did the Governor state in that speech that he did not owe the Temple Bank at that time a cent, or words in substance to that effect?

A. Yes, sir.

Mr. Harris: That's all.

Cross Examination

By Mr. Hanger.

Q. Clarence, you wouldn't remember that if you didn't see it in the paper now?

A. No, I wouldn't.

Q. You have no independent recollection of that except what the paper now says?

A. That is correct.

Q. What the paper containing the speech now says?

A. Yes, sir.

Mr. Hanger: That's all.

Re-Direct Examination

By Mr. Harris.

Q. But you know you made a correct report of it?

A. Yes, sir.

Mr. Harris: That's all.

The Proponents called

B. M. HARDING,

who, being sworn by the Chair, as follows: "You do solemnly swear that the evidence you give upon this hearing by the Senate of Texas of impeachment charges against James E. Ferguson shall be the truth, the whole truth, and nothing, but the truth, so help you God,"

Testified as follows:

Direct Examination

By Mr. Harris.

Q. Have you the records or information as to who drew the salary of Commissioner of Labor Statistics—I believe that is the name of the department—in this State?

A. Yes, sir.

Q. Who did?

A. I didn't quite—you said, if I had the records.

Q. Did Mr. Woodman—when did Mr. Woodman cease being Labor Commissioner of this State?

A. Just a short—I don't know, he drew the salary up to a short while ago.

Q. About August 18th?

A. Somewhere along there, I don't remember the date, but just recently.

Q. What salary did Mr. Frank Swor draw during that period?

A. He drew the salary of Deputy Labor Commissioner.

Q. You do recall, don't you, Mr. Harding, that Mr. Woodman drew the salary as Commissioner of Labor Statistics until the hearing had been in progress some two weeks over in the House?

A. Yes, sir, I think he drew it—

Q. About that time?

A. When the papers published that Mr. Swor had qualified, that was about the date.

Mr. Harris: That's all.

Cross Examination

By Mr. Hanger.

Q. Have you anything in your office to show when Swor qualified?

A. No, sir.

Mr. Harris: He said the vouchers had been misplaced.

Q. He has qualified?

A. Well, he is signing things as Commissioner; that's all I know about it.

Q. Do you know how long that has been going on, Mr. Harding?

A. Just a short while.

Q. You don't know just when it commenced?

A. No, sir, I couldn't tell you the date.

Q. Some time in August?

A. Yes, sir, some time in last month.

Q. Some time in last month?

A. Yes, some time in August.

Q. It was somewhere about the middle of the month or before that or around the middle?

A. Well, I have so many of these things I don't try to keep it in my mind. It was a short while ago.

Mr. Hanger: Well, that's all.

Mr. Harris: That's all.

Mr. Harris: We want a newspaper man—Mr. Hornaday—as soon as he can be located.

The Chair: All right. Counsel for the Managers desire a little time to locate a witness.

Senator Caldwell: Mr. President.

The Chair: The Senator from Travis.

Senator Caldwell: As the witness is not going to be here immediately, I move that the Court stand at ease subject to the call of the Chair.

The Chair: The Senator from Travis moves that the Court stand at ease, subject to the call of the Chair.

Those favoring the motion will say "Aye," those opposed, "No." The motion is carried, and we will stand at ease, subject to the call of the Chair.

(Thereupon the Court stood at ease from 4:05 o'clock p. m. until 4:15 o'clock p. m., at which time the Court reconvened.)

The Chair: The Court will come to order.

General Crane: Mr. President.

The Chair: General Crane:

General Crane: The Board of Managers are about ready to close. There are one or two items, newspaper matter, that we will have to call a reporter, who does not happen to be present just now, to verify; and then if we have omitted something—we think we have not—we of course will ask the privilege of putting it in tomorrow morning, but if so it will take but a very few minutes at most. With that reservation, why, we close, and we will await the defendant's, or the Respondent's announcement.

Mr. Hanger: We will be ready to proceed at 10 o'clock in the morning. We had supposed it would take all the afternoon session. We will be ready at 10 o'clock in the morning.

Senator Page: Mr. President, I move that the Court rise until 10 o'clock in the morning.

The Chair: Senator Page moves that we rise until 10 o'clock tomorrow morning. Those favoring the motion let it be known by saying "Aye," those opposed, "No." The motion prevails, and the Court will rise until 10 o'clock tomorrow morning.

(Thereupon, at 4:20 o'clock p. m., the Court recessed until Thursday morning, September 13, 1917, at 10 o'clock a. m.)

In the Senate.

President Pro Tem. Dean in the Chair at 4:30 o'clock p. m.

Senate Bill No. 3 Recommitted.

Senator McNealus moved that Senate Bill No. 3 (which is regular order for this hour) be recommitted and be referred to the Committee on Civil Jurisprudence.

The motion prevailed and the bill was accordingly referred.

Messages from the Governor.

Here Mr. S. Raymond Brooks appeared at the bar of the Senate with several messages from the Governor.

The Chair directed the secretary to read the messages, which were as follows:

Governor's Office,
Austin, Texas,
September 12, 1917.

To the Texas State Senate:

I ask the advice, consent, and confirmation of the Senate to the appointment of Mr. W. W. Turney of El Paso to be a member of the Texas State Council of Defense.

Respectfully submitted,

W. P. HOBBY,
Acting Governor of Texas.

Governor's Office,
Austin, Texas,
September 12, 1917.

To the Texas State Senate:

I ask the advice, consent, and confirmation of the Senate to the appointment of Mr. T. J. Rowzee of Austin, to be a member of the Board of Managers of the State Lunatic Asylum.

Respectfully submitted,

W. P. HOBBY,
Acting Governor of Texas.

Governor's Office,
Austin, Texas,
September 12, 1917.

To the Thirty-fifth Legislature in Third Called Session:

I beg to submit for the consideration of your honorable body the following subjects:

1. The enactment of a law amending Article 2858, Article 2859 and Article 2860 of the Revised Civil Statutes of the State of Texas, of 1911, so as to provide for the manner of holding an election for the levying, the continuance or the discontinuance of local school taxes in independent districts incorporated for school purposes only.

2. Enactment of a law to amend Article 7235, Title 124, Chapter 6, Revised Civil Statutes of the State of Texas, of 1911, so as to include therein Madison County, said law being known as the stock law for the counties named.

Respectfully submitted,

W. P. HOBBY,
Acting Governor of Texas.

Governor's Office,
Austin, Texas,
September 12, 1917.

To the Thirty-fifth Legislature in
Third Called Session:

I beg to submit for the consideration of your honorable body the following subjects:

1. Enactment of a law to amend Article 5692, Revised Civil Statutes of Texas, 1911, providing that actions for specific performance shall be filed within two years, instead of ten years.

2. Enactment of a law to provide that the owners of public free school land purchased from the State of Texas, after January 1, 1907, and prior to September 1, 1917, on condition of settlement and residence which land may hereafter be forfeited for non-payment of interest, shall have the right to repurchase a complement of sections of said lands as now provided by law and leaving a lien and valid contractual right existing in and to the land so repurchased unimpaired; providing for the creation of a commission to revalue such lands as may be desired to repurchase under such Act; and providing that such Act shall become effective only as to those who are bona fide owners and settlers of the land sought to be repurchased.

Respectfully submitted,
W. P. HOBBY,
Acting Governor of Texas.

Senate Bill No. 11.

The Chair laid before the Senate on second reading:

S. B. No. 11, A bill to be entitled "An Act to regulate the business of emigrant agents; defining emigrant agents; providing for licensing any person, firm or private employment agency desiring to be licensed as an emigrant agent, and prescribing the method of obtaining such license, and the requirements thereof, and defining who may be licensed; prescribing certain duties relative to the Act and its administration for the Commissioner of Labor Statistics and the Attorney General, and conferring certain authority relative to the administration of this Act upon said Commissioner; fixing the fees which may be charged by parties licensed hereunder; and fixing the license

fees to be paid by parties licensed hereunder; creating and defining offenses for violation of this Act; and prescribing the punishment therefor; providing that all fees collected hereunder shall be paid directly into the State Treasury; declaring that all appropriations made for the Department of the Commissioner of Labor Statistics may be used in the enforcement and administration of this Act, and declaring an emergency."

The committee report that the bill be not printed was adopted.

Senator Lattimore offered the following amendment:

Amend S. B. No. 11 by striking out the last paragraph of Section 4, being all of said Section after the last word "emigrant."

On motion of Senator McNealus the amendment was tabled.

Senator Suiter offered the following amendment, which was read and adopted:

Amend S. B. No. 11 by striking out the words "or any lawful rule of the Commissioners" in the latter part of Section 3.

Senator Lattimore offered the following amendment which was read and adopted:

Amend S. B. No. 11 by striking out the last paragraph of Section 5 of the bill.

The bill was read second time and passed to engrossment.

On motion of Senator Hall, the Constitutional rule requiring bills to be read on three several days was suspended and Senate Bill No. 11 put on its third reading and final passage by the following vote:

Yeas—26.

Balley.	Henderson.
Bee.	Hopkins.
Buchanan of Bell.	Johnson of Hall.
Buchanan of Scurry.	Johnston of Harris.
Caldwell.	Lattimore.
Clark.	McNealus.
Collins.	Page.
Dayton.	Parr.
Dean.	Robbins.
Decherd.	Smith.
Floyd.	Strickland.
Gibson.	Suiter.
Hall.	Westbrook.

Present—Not Voting..

McCollum.

Absent.

Alderdice. Hudspeth.
Harley. Woodward.

The bill was laid before the Senate, read third time and, on motion of Senator Hall, was passed by the following vote:

Yeas—27.

Bailey.	Hudspeth.
Bee.	Johnson of Hall.
Buchanan of Bell.	Johnston of Harris.
Buchanan of Scurry.	Lattimore.
Caldwell.	McCollum.
Clark.	McNealus.
Collins.	Page.
Dean.	Parr.
Decherd.	Robbins.
Floyd.	Smith.
Gibson.	Strickland.
Hall.	Sulter.
Henderson.	Westbrook.
Hopkins.	

Absent.

Alderdice. Harley.
Dayton. Woodward.

Senate Bill No. 13.

Senator Buchanan of Bell called up and the Chair laid before the Senate:

S. B. No. 13, A bill to be entitled "An Act to establish and maintain at the Ferguson State Farm, in Madison County, or the Shaw State Farm in Bowie County, or State Farm in Brazoria County, Texas, a school for the education and training of delinquent and incorrigible Negro boys, to be named and known as The State Training School for Negro Boys, etc., and declaring an emergency."

The bill having been read second time, Senator Buchanan of Bell offered the following amendment:

Amend Senate Bill No. 13 by inserting just before the enacting clause the following:

"Whereas the Acts of the First Called Session of the Thirtieth Legislature, page 93, appropriated and set apart the sum of \$50,000 to purchase land for the State Juvenile School at Gatesville, which sum the Board of Managers of said Institution refused to expend and same has thereby reverted to the general fund of the State; and there is absolute need of some place to take

care of negro juveniles, separate and apart from whites, and such place can be provided by the expenditure of one-half the sum which is above referred to:

"Now therefore."

The amendment was read and adopted.

Senator Lattimore offered the following amendments, which were read and adopted, being voted on separately:

(1) Amend Senate Bill No. 13 by striking out the words "or the Shaw State Farm in Bowie County, or the State Farm in Brazoria County, Texas, as to said commissioners may seem best" in Section 1 of the bill and the words "or Shaw State Farm in Bowie County or the State Farm in Brazoria County, Texas," and the words "or the Shaw State Farm or the Brazoria State Farm as to said board of commissioners may deem best" in Section 2 of said bill.

(2) Amend Senate Bill No. 13 by striking out of the caption all reference to any other State farm than the Ferguson State Farm in Madison County.

The bill was read second time and passed to engrossment.

On motion of Senator Buchanan of Bell, the constitutional rule requiring bills to be read on three several days was suspended and Senate Bill No. 13 put on its third reading and final passage by the following vote:

Yeas—25.

Bailey.	Hopkins.
Bee.	Johnson of Hall.
Buchanan of Bell.	Johnston of Harris.
Buchanan of Scurry.	Lattimore.
Caldwell.	McCollum.
Clark.	McNealus.
Collins.	Page.
Dayton.	Parr.
Dean.	Robbins.
Decherd.	Smith.
Floyd.	Strickland.
Gibson.	Sulter.
Henderson.	

Absent.

Alderdice. Hudspeth.
Hall. Westbrook.
Harley. Woodward.

The bill was laid before the Senate, read third time and, on motion of Senator Buchanan of Bell, was passed by the following vote:

Yeas—23.

Bailey.	Hopkins.
Bee.	Johnson of Hall.
Buchanan of Bell.	Johnston of Harris.
Buchanan of Scurry.	Lattimore.
Caldwell.	McCollum.
Clark.	McNealus.
Collins.	Page.
Dayton.	Parr.
Dean.	Robbins.
Decherd.	Smith.
Floyd.	Strickland.
Gibson.	

Nays—1.

Suiter.

Absent.

Alderdice.	Hudspeth
Hall.	Westbrook.
Harley.	Woodward.
Henderson.	

Bills and Resolutions.

(By unanimous consent.)

By Buchanan of Scurry, by request:

S. B. No. 21, A bill to be entitled "An Act to aid the counties of Kent and Stonewall, Texas, by donating and granting to said counties the State ad valorem taxes collected on property and from persons of said counties for the fiscal year beginning September 1, 1917, and ending September 1, 1918, providing said State and ad valorem taxes shall be by the tax collector collected and remitted to the County Treasurer of each county; respectively; providing the commissioners' courts of such counties shall use said ad valorem taxes to assist any person in actual

need and remitting the balance, if any, to the State of Texas at the expiration of said fiscal year, to wit, September 1, 1918, and providing a penalty for the misuse of same and declaring an emergency."

Read first time and referred to Committee on Civil Jurisprudence.

Senate Bill No. 10.

Senator Dayton called up from the table and the Chair laid before the Senate:

S. B. No. 10, A bill to be entitled "An Act to amend Chapter 42 of the General and Special Laws of the First Called Session of the Thirty-fifth Legislature, relating to the State Institution for the Training of Juveniles, as found on pages 92 and 93 of the laws of the First Called Session of the Thirty-fifth Legislature."

The bill having been read second time and the committee report adopted this forenoon, the following amendments were read and adopted, being voted on separately:

Amend Senate Bill No. 10 by striking out all after the enacting clause and insert in lieu thereof the following:

Section 1. That that part of Chapter forty-two of the General and Special Laws of the State of Texas enacted at the first called session of the Thirty-fifth Legislature, as found on pages ninety-two, ninety-three and ninety-four, in so far as the same relates to the State Institution for the Training of Juveniles, be amended so as to hereafter read as follows:

State Institutions for the Training of Juveniles.

For the years ending
Aug. 31, 1918. Aug. 31, 1919.

Salary of Superintendent with provisions for himself and family, not to exceed in value \$500 per annum	\$ 2,000.00	\$ 2,000.00
Salary of Assistant Superintendent	1,200.00	1,200.00
Salary of accountant	1,000.00	1,000.00
Salary of engineer	900.00	900.00
Salary of assistant engineer	600.00	600.00
Salary of commandant	1,000.00	1,000.00
Salary of ten letter teachers	7,200.00	7,200.00
Salary of fifteen trade teachers	10,800.00	10,800.00
Salary of seven field instructors	4,200.00	4,200.00
Salary of seven field instructors, with their wives to be cottage matrons	5,040.00	5,040.00
Salary of eight night watchmen	4,800.00	4,800.00
Salary of sanitary officer and druggist	720.00	720.00

	For the years ending	
	Aug. 31, 1918.	Aug. 31, 1919.
Salary of physician furnishing own consultation	1,200.00	1,200.00
Salary of chaplain and record keeper.....	720.00	720.00
Salary of dentist.....	600.00	600.00
For support and maintenance not otherwise provided for herein including mileage and per diem, of board of managers or trustees....	80,000.00	85,000.00
Books and school supplies.....	1,200.00	1,200.00
Postage and express.....	1,000.00	1,000.00
Medical and hospital supplies and equipment..	1,500.00	1,500.00
Discharge and transportation.....	6,000.00	6,000.00
Printing plant maintenance.....	250.00	250.00
Insurance	2,500.00	2,500.00
First deep well.....	8,000.00	.....
Central school building	37,500.00	.....
Remodeling and fireproofing Lanham Building	10,000.00	.....
Common kitchen and dining room quarters....	10,000.00	.....
Modern equipment for common kitchen, dining hall and commissary	2,500.00	.....
Completion of main heating system.....	2,000.00	.....
Farm implements	2,000.00	2,000.00
Sewerage disposal plant.....	5,000.00	.....
General repairs	2,500.00	2,500.00
Silo .....	.....	500.00
Remodeling and fireproofing Juvenile and Middle Buildings	10,000.00	.....
Totals	\$210,930.00	\$139,430.00

Sec. 2. Provided that the per diem of the Board of Managers shall be \$5.00 for each member of the Board for each day while actually engaged in their official duties including time actually spent in travel, if any.

Sec. 3. Provided that the sum of ten thousand dollars (\$10,000.00) is hereby appropriated for each year beginning September 1st, 1917, and September 1st, 1918, out of the proceeds of the sale of all products raised or manufactured by this institution and from such funds as are received as compensation for labor performed outside of the Institution by any of the inmates of the same; that a full and complete accounting of such expenditures shall be filed with the Comptroller, and that all proceeds over and above ten thousand dollars (\$10,000.00) for each year, shall be deposited in the State Treasury.

Sec. 4. The appropriations herein provided for are to be construed as the maximum to be appropriated to and for the several purposes named herein and no expenditure shall be made, nor shall any obligations be incurred which added to the actual expenditures, will exceed the amounts herein appropriated for

either of said purposes except under the provisions provided for in Article 4342, of Chapter 2, Title 65 of the Revised Civil Statutes of 1911.

Sec. 5. The fact that the appropriation bill for this institution was passed at the First Called Session of the Thirty-fifth Legislature, and that there are errors in enrolling same, and that it is essential for the continuation of said school and the immediate repair of the buildings, that these corrections be made and this bill be amended as here indicated, creates an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days be suspended, and that this Act take effect and be enforced from and after its passage, and it is so enacted.

Amend Senate Bill No. 10 by striking out the caption of same and insert in lieu thereof the following:

S. B. No. 10. By Dayton.

A BILL

To be entitled

An Act to amend Chapter forty-two of the General and Special Laws of this State of the First Called Session of the Thirty-fifth Legislature, relating to the State Institution

for the Training of Juveniles, as found on pages 92, 93 and 94 thereof, and declaring an emergency.

Be it enacted by the Legislature of the State of Texas.

The bill was read second time and passed to engrossment.

On motion of Senator Dayton, the constitutional rule requiring bills to be read on three several days was suspended and Senate Bill No. 10 put on its third reading and final passage by the following vote:

Yeas—26.

Bailey.	Honkins.
Bee.	Hudspeth.
Buchanan of Bell.	Johnson of Hall.
Buchanan of Scurry.	Johnston of Harris.
Caldwell.	Lattimore.
Clark.	McNealus.
Collins.	Page.
Dayton.	Parr.
Dean.	Robbins.
Decherd.	Smith.
Floyd.	Strickland.
Gibson.	Suiter.
Henderson.	Westbrook.

Absent.

Alderdice.	McCollum.
Hall.	Woodward.
Harley.	

The bill was laid before the Senate, read third time and, on motion of Senator Dayton, was passed by the following vote:

Yeas—26.

Bee.	Hudspeth.
Buchanan of Bell.	Johnson of Hall.
Buchanan of Scurry.	Johnston of Harris.
Caldwell.	Lattimore.
Clark.	McCollum.
Collins.	McNealus.
Dayton.	Page.
Dean.	Parr.
Decherd.	Robbins.
Floyd.	Smith.
Gibson.	Strickland.
Henderson.	Suiter.
Hopkins.	Westbrook.

Present—Not Voting..

Bailey.

Absent.

Alderdice.	Harley.
Hall.	Woodward.

Senate Bill No. 7 Set as Special Order.

Senator Page moved that Senate Bill No. 7 be set as a special order for tomorrow at the conclusion of the morning call.

The motion prevailed and the bill was accordingly set.

House Bill No. 15.

(By unanimous consent.)

On motion of Senator Hudspeth, the constitutional rule requiring bills to be read on three several days was suspended and House Bill No. 15 put on its second reading by the following vote:

Yeas—25.

Bailey.	Hudspeth.
Bee.	Johnson of Hall.
Buchanan of Bell.	Johnston of Harris.
Buchanan of Scurry.	McCollum.
Clark.	McNealus.
Collins.	Page.
Dayton.	Parr.
Dean.	Robbins.
Decherd.	Smith.
Floyd.	Strickland.
Gibson.	Suiter.
Henderson.	Westbrook.
Hopkins.	

Absent.

Alderdice.	Harley.
Caldwell.	Lattimore.
Hall.	Woodward.

The Chair laid before the Senate on second reading:

H. B. No. 15, A bill to be entitled "An Act to reorganize the Seventieth Judicial District of the State of Texas, and to make all process issued or served before this Act takes effect, including recognizances and bonds, returnable to the courts as herein fixed; to validate such process and to validate the summoning of grand and petit jurors and juries; repealing all laws in conflict herewith and declaring an emergency."

The Senate rule requiring committee reports to lie over one day was suspended.

The committee report that the bill be not printed was adopted.

The bill was read second time and passed to its third reading.

On motion of Senator Hudspeth, the constitutional rule requiring bills

to be read on three several days was suspended and House Bill No. 15 put on its third reading and final passage by the following vote:

Yeas—26.

Bailey.	Hudspeth.
Bee.	Johnson of Hall.
Buchanan of Bell.	Johnston of Harris.
Buchanan of Scurry.	Lattimore.
Caldwell.	McCollum.
Clark.	McNealus.
Collins.	Page.
Dayton.	Parr.
Dean.	Robbins.
Floyd.	Smith.
Gibson.	Strickland.
Henderson.	Sulter.
Hopkins.	Westbrook.

Absent.

Alderdice.	Harley.
Decherd.	Woodward.
Hall.	

The bill was laid before the Senate, read third time and, on motion of Senator Hudspeth, was passed finally.

Adjournment.

At 5:50 o'clock p. m. Senator Bailey moved that the Senate adjourn until 9:30 o'clock a. m. tomorrow.

The motion prevailed.

APPENDIX.

Committee Reports.

Committee Room.

Austin, Texas, Sept. 12, 1917.

Hon. W. L. Dean, President of the Senate.

Sir: We, your Committee on Judicial Districts, to whom was referred.

H. B. No. 15, A bill to be entitled "An Act to reorganize the Seventeenth Judicial District of the State of Texas, and to make all process issued or served before this Act takes effect, including recognition and bonds, returnable to the terms of the courts as herein fixed; to validate such process and to validate the summoning of grand and petit jurors and juries; repealing all laws and parts of laws in conflict herewith, and declaring an emergency."

Have had the same under consideration and I am instructed to report the same back to the Senate with the recommendation that it do pass and be not printed.

Buchanan of Scurry, chairman; Johnson, Hall, McCollum, Henderson, Parr, Sulter.

(Majority Report.)

Committee Room.

Austin, Texas, Sept. 12, 1917.

Hon. W. L. Dean, President of the Senate.

Sir: We, a majority of your Committee on Criminal Jurisprudence, to whom was referred

H. B. No. 9, A bill to be entitled "An Act amending Article 303, Revised Penal Code of Texas, 1911, providing limitations and exceptions upon and to the provisions of Article 302, Revised Penal Code, 1911, relating to selling, etc., on Sunday, so as to exempt from the provisions of Article 302, Penal Code, 1911, the selling, etc., of gasoline, and declaring an emergency,"

Have had the same under consideration and I am instructed to report the bill back to the Senate with the recommendation that it do pass.

PAGE, Chairman.

(Minority Report.)

Committee Room.

Austin, Texas, Sept. 12, 1917.

Hon. W. L. Dean, President of the Senate.

Sir: We, a minority of your Committee on Criminal Jurisprudence to whom was referred

H. B. No. 9, A bill to be entitled "An Act amending Article 303, Revised Penal Code of Texas, 1911, providing limitations and exceptions upon and to the provisions of Article 302, Revised Penal Code, 1911, relating to selling, etc., on Sunday, so as to exempt from the provisions of Article 302, Penal Code, 1911, the selling, etc., of gasoline, and declaring an emergency,"

Have had the same under consideration and hereby report the same back to the Senate with the recommendation that it do not pass.

Collins, Westbrook, Lattimore, Sulter.

Committee Room,
Austin, Texas, Sept. 12, 1917.
Hon. W. L. Dean, President of the
Senate.

Sir: We, your Committee on
Labor, to whom was referred

S. B. No. 16, a bill to be entitled
"An Act authorizing the commission-
ers court of Dallas county, Texas, to
provide a building in the City of
Dallas at or near the court house in
said county, and to establish therein
a woman's rest room or rest rooms
of sufficient dimensions for the com-
fort and convenience of the women
and children from the rural districts
who are called upon to attend court,
or to visit the county site; and
appropriate sufficient money out of
the general fund of said county to
properly maintain said rest room or
rest rooms, and to pay the salaries
of the matron and janitor, and to
provide water, lights and heat for
said building,"

Have had the same under consid-
eration and hereby report the same
back to the Senate with the recom-
mendation that it do pass, and be
not printed, but printed in the Jour-
nal.

McNEALUS, Chairman.

By McNealus. S. B. No. 16.

An Act authorizing the commission-
ers court of Dallas county, Texas,
to provide a building in the City
of Dallas at or near the court
house in said county, and to es-
tablish therein a woman's rest
room or rest rooms of sufficient
dimensions for the comfort and
convenience of the women and
children from the rural districts
who are called upon to attend
court, or to visit the county site;
and appropriate sufficient money
out of the general fund of said
county to properly maintain said
rest room or rest rooms, and to
pay the salaries of the matron and
janitor, and to provide water,
lights and heat for said building.

Be it enacted by the Legislature of
Texas:

Section 1. That the commission-
ers court of Dallas county, Texas,
is authorized to provide a building
of sufficient dimensions, at or near
the court house in the City of Dallas,
and to establish therein a woman's
rest room or rest rooms for the ac-
commodation, comfort, and con-

venience of the women and children
who are called upon to attend court
from the rural districts.

Sec. 2. That in order that said
womans rest room or rest rooms
may be furnished, equipped and pro-
vided with conveniences and com-
forts for those who may desire to
use and occupy said room or rooms,
said commissioners court is author-
ized to appropriate out of the gen-
eral fund of said county each month
a sufficient sum of money to pay all
the expenses of properly maintaining
said rest room or rest rooms includ-
ing the salaries of a matron and
janitor, and to provide water, light,
heat and other expenses incident to
the proper maintenance of said rest
room or rest rooms.

Sec. 3. The short time yet re-
maining of this session, and the fur-
ther fact that there is no provision
under the laws of this State whereby
the commissioners court of Dallas
county can appropriate money out
of the general fund to maintain a
womans rest room for the comfort
and convenience of women and chil-
dren called upon to attend court
creates an emergency and a public
necessity requiring the constitutional
rule requiring bills to be read on
three several days to be suspended,
and said rule is hereby suspended
and this Act shall be in effect from
and after its passage, and it is so
enacted.

TENTH DAY.

Senate Chamber,
Austin, Texas,

Thursday, Sept. 13, 1917.

The Senate met at 9:30 o'clock
a. m., pursuant to adjournment, and
was called to order by President Pro
Tem. Dean.

The roll was called, a quorum
being present, the following Senators
answering to their names:

Alderdice.	Hopkins.
Bailey.	Johnson of Hall.
Buchanan of Bell.	Johnston of Harris.
Buchanan of Scurry.	Lattimore.
Glark.	McNealus.
Collins.	Page.
Dayton.	Parr.
Dean.	Robbins.
Decherd.	Strickland.
Floyd.	Suiter.
Hall.	Westbrook.
Henderson.	Woodward.